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ABSTRACT

An evaluation was conducted of the Texas Food Stamp Employment and Training (FSE&T)/Job Opportunities and Basic Skills (JOBS) Program Conformance Demonstration. The BOND (Better Opportunities for New Directions) demonstration program tested conformance compatibility between the FSE&T and JOBS programs. It enacted such policy changes as exemption criteria, sanction policy, and service to volunteers, while offering participants case management, a broader array of component activities, and increased access to supportive services. An impact study analyzed program data from two sites. Findings indicated that two policy changes had the greatest effect on participation patterns: volunteer participation and increased availability of child care. Volunteers chose to increase labor market skills through vocational training or post-secondary education and differed markedly from mandatory participants. Changes in the exemption criteria and sanction policy had little effect on participation patterns. BOND participants enrolled in a broader array of services than those in the comparison site. Unadjusted net employment rates increased significantly for first-year BOND participants. Three of four BOND objectives were met: continuity of services, expanded activity components and supportive services, and resources targeted to participant need. (Statistical results are appended.) (YLB)

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Texas Food Stamp Employment and Training/JOBS Conformance Demonstration:

Impact Evaluation Final Report

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Executive Summary

The Center for the Study of Human Resources (CHR) of the LBJ School of Public Affairs at The University of Texas at Austin conducted a multi-year evaluation of the Texas Food Stamp Employment and Training (FSE&T)/Job Opportunities and Basic Skills (JOBS) Program Conformance Demonstration under contract to the Texas Department of Human Services (DHS).[1] The demonstration and the evaluation were sponsored by the Food and Nutrition Service of U.S. Department of Agriculture. The evaluation was designed to describe and monitor policies and practices developed and implemented for the demonstration, and to assess their impacts on participation patterns, service delivery, client outcomes, and costs. The evaluation encompassed the period from Federal Fiscal Year (FFY) 1993 through FFY 1995. This report presents the results from the impact component of the evaluation.

Overview of the Demonstration. DHS staff designed the demonstration, known locally as BOND (Better Opportunities for New Directions), to test the conformance compatibility between the FSE&T and JOBS programs. JOBS policies and procedures, normally applied to AFDC recipients, were applied to eligible Food Stamp recipients; staff serving the two client groups were merged; and, activities and support services provided to JOBS and FSE&T participants, with few exceptions, became identical.

The BOND demonstration had four basic objectives:

- To assure continuity of services for FSE&T and JOBS program participants,
- To provide FSE&T participants expanded and enhanced activity components and support services,
- To increase client participation through the application of a clear sanction policy, and
- To target resources based upon participant need.

DHS identified at least three possible positive outcomes to the FSE&T and JOBS conformance demonstration. First, the adoption of JOBS policies and component activities by the FSE&T would permit continuity of service delivery by allowing participants to remain in an education, training, or employment-related activity despite changes in program eligibility. Second, common administrative processes, support materials, staff training,

[1]Responsibility for both the FSE&T and JOBS programs were transferred to the Texas Workforce Commission on June 1, 1996.

and a single service delivery system would increase efficiency and reduce certain program costs. Third, the expanded and enhanced employment program would more rapidly move participants toward self-sufficiency.

Impact Evaluation Research Questions. The impact evaluation directly addressed the following research questions:

- What effect have the changes in exemption criteria had on the number and proportion of nonexempt work registrants and participants?
- What effect have the changes in exemption criteria and volunteer priority had on the number of exempt work registrants who volunteer and the overall volunteer/mandatory participant mix?
- What effect have the changes in the sanction policy had on the percentage of work registrants responding to call-in and overall requests for sanctions?
- What changes have occurred in the total number of clients in each activity, the mix of activities in which clients participate, the length of time in activities, and total time in the FSE&T program?
- What impact has the demonstration had on the number of participants completing high school, receiving GEDs, and completing vocational training?
- What impact has the demonstration had on rates of employment and post-program quarterly earnings?
- What effect has the demonstration had on the inter-program transfer rates between FSE&T and JOBS?

These questions were analyzed using a pre-post/demonstration-comparison site strategy. Typically, results for both a baseline time period and the demonstration time period were computed for McLennan County (the demonstration county) and Smith County (the comparison county) to determine unadjusted net effects of the demonstration on each of the measures. When these measures were not possible, comparisons were computed only between the two counties within the *same* time period or for the demonstration county between the baseline and demonstration periods. Regression analysis was then used to adjust these results for confounding factors

Summary of Research Results. The BOND demonstration enacted several policy changes — including exemption criteria, sanction policy, and service to volunteers — while offering participants case management, a broader array of component activities, and increased access to supportive services. The two policy changes that had the greatest effect on participation patterns were: participation by volunteers and increased availability

of child care to persons caring for young children. The combination of these two changes opened up the FSE&T program to a group of Food Stamp recipients who were previously denied the opportunity to participate, with volunteers comprising over forty percent of McLennan County participants during the first two years of the demonstration. Persons volunteering for the program typically chose to increase their labor market skills through vocational training or post-secondary education and differed markedly from mandatory participants demographically. Changing the exemption criteria had little effect on participation patterns. Changes in sanction policy also appeared to have little effect, although data difficulties precluded obtaining a clear answer to this question.

The Texas FSE&T program changed its contracted services around the same time that the demonstration began to offer an array of services to FSE&T participants that was similar in intensity and diversity to those offered in JOBS. Although both contracted and noncontracted services were theoretically available to FSE&T participants across the state, participants in BOND enrolled in a broader array of services than those in the comparison county. While almost all participants in the comparison county enrolled only in job readiness and job search, participants in McLennan County also enrolled in both GED and postsecondary activities in large numbers. Four times as many McLennan County participants enrolled in GED-preparation activities than they had during the baseline period. They also averaged more hours per month in components and a month longer in total length of participation. Most of this additional effort occurred because of BOND's success in leveraging additional services from the community at no cost to the program. By the second year of the demonstration, the high rates of educational enrollments resulted in increased numbers of GEDs and post secondary degrees being awarded. The large number of volunteers enrolled in postsecondary education accounted for a large portion of the persons receiving postsecondary degrees.

The unadjusted net employment rates—both for the quarter immediately after participation and the entire year following participation—increased significantly for participants in the first year of the BOND demonstration. While immediate quarterly earnings were significantly greater for BOND participants in both years of the demonstration, earnings for the entire year following participation were higher but not significantly different from the comparison county. An additional year of employment and earnings data would be needed to truly estimate the longer-term effects on employment and earnings. Most of the observed increases in employment rates and earnings in the BOND demonstration were attributable to the different demographic characteristics of participants in McLennan County that resulted from opening the BOND demonstration to volunteers.

Remaining differences in the employment and earnings outcomes for the two counties were not statistically significant.

Approximately four percent of AFDC recipients transferred from AFDC to only Food Stamps both prior to and during the demonstration. No evidence was found to indicate that the demonstration had any effect on the rate of interprogram transfers.

Conclusions. Of the four stated objectives of the BOND demonstration, the results from the impact evaluation clearly indicate that three of the four objectives — assuring continuity of services, providing expanded and enhanced activity components and supportive services, and targeting resources based on participant need — were met. The remaining objective — increasing participation through a clear sanction policy — did not appear to be obtained, although the data difficulties with this measure cloud this issue somewhat. The increased participation that occurred in the BOND demonstration is associated with the policy of serving volunteers rather than a change in sanction policy.

Among the possible outcomes that DHS administrative staff anticipated would occur from the demonstration was that the expanded and enhanced employment program would move participants more rapidly toward self-sufficiency. Although the measurement of increased self-sufficiency was not directly addressed in the research questions, increases in GEDs attained and post-secondary degrees suggest that increased self-sufficiency should result from this approach. While there is some evidence of increased employment and earnings among persons completing their FSE&T participation, another year of earnings data would be needed to conclusively determine whether the early employment and earnings gains hold up over time.

In general, the BOND demonstration accomplished its objectives and demonstrated that the JOBS and FSE&T programs could be run successfully as one program. This is a particularly encouraging finding, particularly given Texas' recent legislation to consolidate the operation of its employment and training programs.

I: BACKGROUND AND STUDY METHODS

The Center for the Study of Human Resources (CHR) of the LBJ School of Public Affairs at The University of Texas at Austin conducted a multi-year evaluation of the Texas Food Stamp Employment and Training (FSE&T)/Job Opportunities and Basic Skills (JOBS) Program Conformance Demonstration under contract to the Texas Department of Human Services (DHS).[1] The demonstration and the evaluation were sponsored by the Food and Nutrition Service of U.S. Department of Agriculture. The evaluation was designed to describe and monitor policies and practices developed and implemented for the demonstration, and to assess their impacts on participation patterns, service delivery, client outcomes, and costs. The evaluation encompassed the period from Federal Fiscal Year (FFY) 1993 through FFY 1995. This report presents the results from the impact component of the evaluation.

A. Description of Demonstration

DHS staff designed the demonstration, known locally as BOND (Better Opportunities for New Directions), to test the conformance compatibility between the FSE&T and JOBS programs. JOBS policies and procedures, normally applied to AFDC recipients, were applied to eligible Food Stamp recipients; staff serving the two client groups were merged; and, activities and support services provided to JOBS and FSE&T participants, with few exceptions, became identical.[2]

The BOND demonstration had four basic objectives:

- To assure continuity of services for FSE&T and JOBS program participants,
- To provide FSE&T participants expanded and enhanced activity components and support services,
- To increase client participation through the application of a clear sanction policy, and
- To target resources based upon participant need.[3]

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[1] Responsibility for both the FSE&T and JOBS programs were transferred to the Texas Workforce Commission on June 1, 1996.
[2] Texas Department of Human Services, 1992; Texas Department of Human Services, 1993.
[3] Texas Department of Human Services, 1992.

DHS hoped to accomplish these objectives by conforming the demonstration's rules for FSE&T participants to those used for AFDC participants in the JOBS program. Changes included:

- Revising program exemption criteria to match those used by JOBS;
- Adopting Texas' service levels developed in the JOBS program to target scarce resources based on participants' prior education and work experience;
- Giving priority to volunteers instead of serving only mandatory work registrants;
- Providing access to a broader array of activities and support services, and
- Adopting JOBS sanctioning rules for persons refusing to participate.[4]

DHS identified at least three possible positive outcomes to the FSE&T and JOBS conformance demonstration. First, the adoption of JOBS policies and component activities by the FSE&T would permit continuity of service delivery by allowing participants to remain in an education, training, or employment-related activity despite changes in program eligibility.[5] Second, common administrative processes, support materials, staff training, and a single service delivery system would increase efficiency and reduce certain program costs. Third, the expanded and enhanced employment program would more rapidly move participants toward self-sufficiency.

B. Research Questions and Hypothesized Impacts of the Demonstration

CHR staff combined four complementary research approaches to conduct the evaluation. These research approaches are:

- A process evaluation of FSE&T program operations at the demonstration (McLennan County) and the comparison (Smith County) sites
- A survey of FSE&T program participants in McLennan County
- An impact study that includes statistical analyses using measures designed by DHS and CHR staff and program data from the demonstration and a comparison site
- A cost analysis of the demonstration project.

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[4]These features are fully described in the *Texas Food Stamp Employment and Training/JOBS Conformance Demonstration Process Evaluation Final Report*, O'Shea, April 1996.

[5]Texas has very low AFDC benefits with the result that there is considerable movement of public assistance recipients between AFDC and Food Stamps eligibility.

Research questions

The impact analysis directly addressed the following research questions:

Participation patterns

- What effect have the changes in exemption criteria had on the number and proportion of nonexempt work registrants and participants?
- What effect have the changes in exemption criteria and volunteer priority had on the number of exempt work registrants who volunteer and the overall volunteer/mandatory participant mix?
- What effect have the changes in the sanction policy had on the percentage of work registrants responding to call-in and overall requests for sanctions?

Services

- What changes have occurred in the total number of clients in each activity, the mix of activities in which clients participate, the length of time in activities, and total time in the FSE&T program?
- What impact has the demonstration had on the number of participants completing high school, receiving GEDs, and completing vocational training?

Employment

- What impact has the demonstration had on rates of employment and post-program quarterly earnings?

Other Outcomes

- What effect has the demonstration had on the inter-program transfer rates between FSE&T and JOBS?

Hypothesized impacts

The changes in program rules were expected to produce a larger number of mandatory work registrants, a higher response by persons called in to participate in the program, and a larger share of volunteers. DHS also expected the number of persons referred for multiple sanctions to decrease due to the stricter penalties imposed by the JOBS rules. While no changes were anticipated in the rate of transfer between JOBS and FSE&T due to the demonstration, DHS hoped to better understand the magnitude of the transfers and to make this process more efficient for clients.

While the overall number of nonexempt participants was expected to decline because of more intensive job readiness and job search components than those provided

prior to the demonstration, opening the program to exempt participants wishing to volunteer was expected to increase the overall number of participants in McLennan County. A more diverse mix of services and more emphasis on improving skills were expected to result in increased enrollment in education and training components and longer total time in components.

Because of the increased emphasis on education, particularly for Service Level II clients, DHS expected an increase in the number of persons receiving high school diplomas and GEDs. They also expected increases in employment rates and earnings of demonstration participants.

C. Description of Data and Analysis Methods

The overall design for the impact analysis relied upon a pre-post/demonstration-comparison site strategy. This analysis was conducted by computing each of the measures listed above for both a baseline period prior to the demonstration and the demonstration period itself. Whenever possible, results for each of these time periods were computed for McLennan County (the demonstration county) and Smith County (the comparison county) to determine unadjusted net effects of the demonstration on each of the measures. When these measures were not possible, comparisons were computed only between the two counties within the *same* time period or for the demonstration county between the baseline and demonstration periods. Regression analysis was then used to adjust these results for confounding factors (e.g., differences in the demographic characteristics of participants in the two counties, different economic conditions in the counties, etc.).

Data sources

One of the challenges of this evaluation was the collection of comparable data needed to answer the research questions for both the baseline and demonstration periods for McLennan and Smith counties. This was accomplished through the compilation of monthly administrative data files provided by the Texas Department of Human Services (DHS), Unemployment Insurance quarterly earnings records from the Texas Employment Commission, education completion data from the Texas Education Agency and the Texas Higher Education Coordinating Board, and the collection of primary data to supplement the automated administrative data.[6] Specific data sources are described briefly in Table 1.

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[6]Although the original research design did not call for measuring postsecondary educational outcomes, this was added as a measure when it became evident that a number of participants were enrolled in postsecondary education.

To create the data sets needed to answer the research questions, relevant variables from these files were merged using the social security numbers as the variable by which to match observations. The resulting files were augmented by joining county data using DHS county codes as the matching variables.

Table 1
Data Sources

Data Source	Contents and Organization	Availability			
		McLennan		Smith	
		Baseline	Demo	Baseline	Demo
FS Client File	One record per FS recipient per month; Includes demographic information	Y	Y	Y	Y
FS Log File	Transactions contain information captured when case is opened or reviewed	Y	Y	Y	Y
FS Work Registrant File	Demographic and FS program information for mandatory FSE&T work registrants	Y	Y	Y	Y
TEC Client File	One record per client with TEC "activity" (i.e., enrollment in FS FSE&T program component)	Y	N	Y	Y
TEC RG-45	Call-in data for persons referred to TEC for FSE&T services	Y	N	Y	Y
Modified JOBS Files	Demonstration call-in and FSE&T participation data in McLennan County	N	Y	N	N
Primary Data	Hours of participation by component	Y	N	Y	Y
TEA GED File	GED completion data	Y	Y	Y	Y
Higher Education Coordinating Board File	Postsecondary education completion data	Y	Y	Y	Y
UI Earnings Files	Quarterly earnings	Y	Y	Y	Y
County Economic Data	Job growth; unemployment rate	Y	Y	Y	Y
AFDC Tapes	Annual AFDC tapes containing spell dates for AFDC caretakers during that year	Y	Y	Y	Y
JOBS Files	JOBS participation data	Y	Y	Y	Y

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Time periods covered by the evaluation

Originally, the project design envisioned that a 24-month baseline period (October 1, 1991-September 30, 1993) would be used. However, due to unavailable administrative data for some of the measures (e.g., hours of participation by component) and the absence of several months of administrative data early in the baseline period, the length of the baseline period varies depending on the measure being calculated. For most measures, the baseline period encompasses a 20-month period from February 1992-September 1993. In measures dependent upon FSE&T program participation data, however, the baseline period covers March 1993 through September 1993.

Although the demonstration operated through September 1996, the impact analysis only includes program data from either the 20-month or 7-month baseline and the first two years of the project (October 1, 1993-September 30, 1995). The time period for outcomes data varies by source. Postsecondary completion data only includes degrees or certificates awarded through the summer of 1995, while GED completion data and postprogram UI earnings data are available through March 1996.

Key independent and dependent variables

The key variables used for both the descriptive statistics and the regressions are described in Tables 2 and 3.

Table 2
Explanatory Variables

Variable Name	Description	Units
Personal Characteristics Variables		
BLACK	Individual is of Black non-Hispanic ethnicity.	Dummy variable
HISPANIC	Individual is of Hispanic ethnicity	Dummy variable
NOHS	Individual has not finished high school	Dummy variable
LPREEARN	Logarithm of earnings for 6 months prior to FSE&T participation	Natural logarithm of dollars
NOLPERN	Person had no earnings for 6 months prior to FSE&T participation	Dummy variable
OLD	Individual is over 40 years old.	Dummy variable
YOUNG	Individual is under 21 years old.	Dummy variable
EVERSANC	Individual was sanctioned on or before the beginning of this period.	Dummy variable
VOL	Individual is a voluntary participant. "Volunteers" include all exempt individuals who participated in the FSE&T program	Dummy variable
MALE	Individual is of male gender.	Dummy variable
AGECLO3	Client age	Years
Household Characteristics Variables		
KID0_3	Children aged three or under are present in household.	Dummy variable
KID4_16	Children aged four to sixteen are present in household.	Dummy variable
OVR65	At least one person over age 65 other than householder is present in household.	Dummy variable
TWO_ADUL	There are two individuals aged over 16 years present in household.	Dummy variable
MT2ADUL	There are more than two individuals aged over 16 years present in household.	Dummy variable
County Variables		
JOB_GROW	Growth in number of jobs in county (Bureau of Economic Analysis data)	Percent
INC_GROW	Growth in personal income from wages in county. (Bureau of Economic Analysis data)	Percent
UNEMP	Unemployment rate in individual's county	Percent
SERDATE	Serial number of day, with day 1 defined as Jan 1, 1960	Real number
SERDATE2	The square of SERDATE	Real number

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Table 2, Continued
Explanatory Variables,

Program Variables

DEMO	Individual was in the DEMONSTRATION county.	Dummy variable
POST1	The observation is from the first year of the demonstration period.	Dummy variable
POST2	The observation is from the second year of the demonstration period	Dummy variable
DEMOPOS1	Product of DEMO and POST1	Dummy variable
DEMOPOS2	Product of DEMO and POST2	Dummy variable
DJS	Individual participated in Directed Job Search activity	Dummy variable
JR	Individual participated in Job Readiness activity	Dummy variable
NVE	Individual participated in Nonvocational Education activity	Dummy variable
VT	Individual participated in Vocational Training activity	Dummy variable
WEXP	Individual participated in Work Experience activity	Dummy variable
SLi, i=1,2,3,4	Individual has been assigned service level i	Dummy Variables

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Table 3
Dependent Variables

Variable Name	Description	Units
Participation Variables		
PART	Individual was a participant. To be a participant, the individual must have had actual hours in any FSE&T activity	Dummy variable
M_PART	Individual had a meaningful level of participation. To achieve M_PART status, the individual must have had actual hours in activities other than assessment and employment entry.	Dummy variable
RESPD	Individual responded to initial call-in.	Dummy variable
SANCD	Sanction was requested for individual after initial call-in.	Dummy variable
Outcome Variables		
GOTGED	Individual received GED.	Dummy variable
EMPLD	Former participant had UI earnings in last quarter of participation or in the quarter following participation	Dummy variable
POSTEARN	For individuals with EMPLD=1, the maximum UI quarterly earnings in either the last quarter of participation or the first quarter following participation.	Dollars
LN_POSTEARN	Natural logarithm of POSTEARN.	Logarithm
STEADY_EMP	Former participant earned at least $1500 per quarter for four consecutive quarters after ending participation	Dummy variable
STEADY_EARN	For individuals with STEADY_EMP=1, the wages earned in the year after participation	Dollars
LN_STEADY_EARN	Natural logarithm of STEADY_EARN	Logarithm
Sanction Variables		
SANC1	First request for sanction initiated.	Dummy variable
SANC2	Second request for sanction initiated.	Dummy variable
SANC3	Third request for sanction initiated.	Dummy variable
EVERSANC	Individual was sanctioned on or before the beginning of this period.	Dummy variable

Universe for the analyses

Because the universe used for each research question varies somewhat, description of the universe will be included in the discussion section accompanying results for each question.

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II. ESTIMATED IMPACTS OF THE DEMONSTRATION

A. Effects on Participation Patterns

1. What effect have the changes in exemption criteria had on the number and proportion of nonexempt work registrants?

In the demonstration, the exemption criteria were tightened so that three categories of Food Stamp recipients became mandatory work registrants: (1) individuals receiving unemployment compensation, (2) individuals participating in rehabilitation programs, and (3) persons caring for children three to five years old. The effect of these rule changes during the demonstration were measured by comparing the number of mandatory work registrants who would have been exempt under each set of rules. This could be done only for McLennan County, since the rules were not changed in Smith County. The results are shown in Table 4 are purely descriptive.

Table 4
Exemption Rates and Effects of Changes in Exemption Rules
Observations from First and Second Years of Demonstration
McLennan County Only

Total Change in Exemptions

	First Demo Year		Second Demo Year	
	Number	Percent of Adult Food Stamp Recipients	Number	Percent of Adult Food Stamp Recipients
Adult Food Stamp recipients	13,957	100.0%	12,578	100.0%
Exempt under JOBS rules	9,443	67.7%	8,952	71.2%
Exempt under FSE&T rules	10,449	74.9%	9,540	75.8%
Exemptions eliminated by tightening exemption criteria	1,006	7.2%	588	4.7%

Exemptions Eliminated by Type

	First Demo Year		Second Demo Year	
	Number	Percent of all exemptions eliminated	Number	Percent of all exemptions eliminated
Receipt of unemployment compensation	154	15.3%	78	13.2%
Participation in rehabilitation programs	19	1.9%	9	1.5%
Persons caring for children 3 to 5 years old	833	82.8%	501	85.3%

Note: Data in table are annual averages of monthly data.
Sources: FS Client File, FS Work Registrant File

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The tabulation shows that the tightening of the exemption rules caused an increase in the number of mandatory work registrants of about five to seven percentage points. Over 80 percent of the persons changing from exempt to mandatory work registrants did so because of the tightening of the age-of-child exemption.

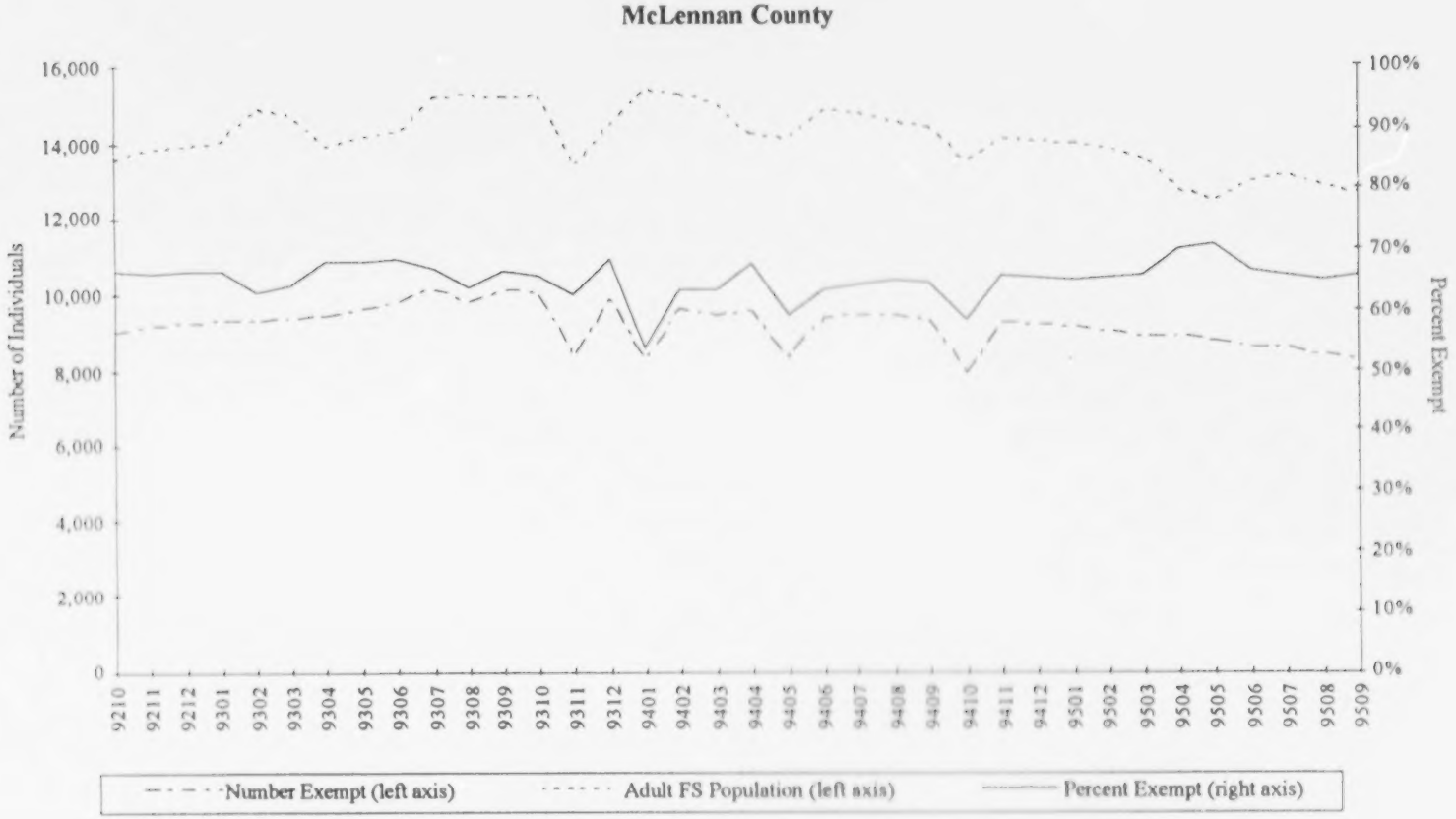
In addition to estimating the demonstration effect, the number of exemptions were plotted on a monthly basis to determine whether any seasonal effects or other unexplained turning points need to be considered. Although no seasonal effects are evident in Figure 1, two other variations should be noted. One is the sharp decline in the number of adult Food Stamp recipients in Smith County during FFY 1994 and FFY 1995. This occurred partially due to an improved economy in Smith County and partially due to a concerted effort to reduce the error rate among cases approved to receive Food Stamps. Although this initiative was statewide, the caseload decline in McLennan County was not nearly as dramatic as in Smith County.[7] The second variation to note between the counties is the share of adult recipients who were exempt from FSE&T participation. Approximately two-thirds of adult recipients were exempt from FSE&T participation in McLennan County compared to over 80 percent in Smith County.

2. **What effect have the changes in exemption criteria and volunteer policy had on the number of exempt work registrants who volunteer and the overall volunteer/mandatory participant mix?**

Changing the exemption criteria and giving priority to volunteers who were previously not allowed to participate in the FSE&T program creates the likelihood that both the demographic characteristics of participants and the mix of voluntary and mandatory FSE&T participants will change from the baseline period to the demonstration. Table 5 displays changes in the demographic characteristics of participants in McLennan County during the BOND demonstration. Shares of whites, females, and persons with some college education all increased substantially, while the average age of participants declined from 37 to 31 years of age. The share of persons living in single-person household also decline precipitously, from over half of all participants in the baseline period to less than one fourth of participants in the demonstration. Only minor demographic changes occurred in Smith County over the same three year period. These changes in demographic characteristics of BOND

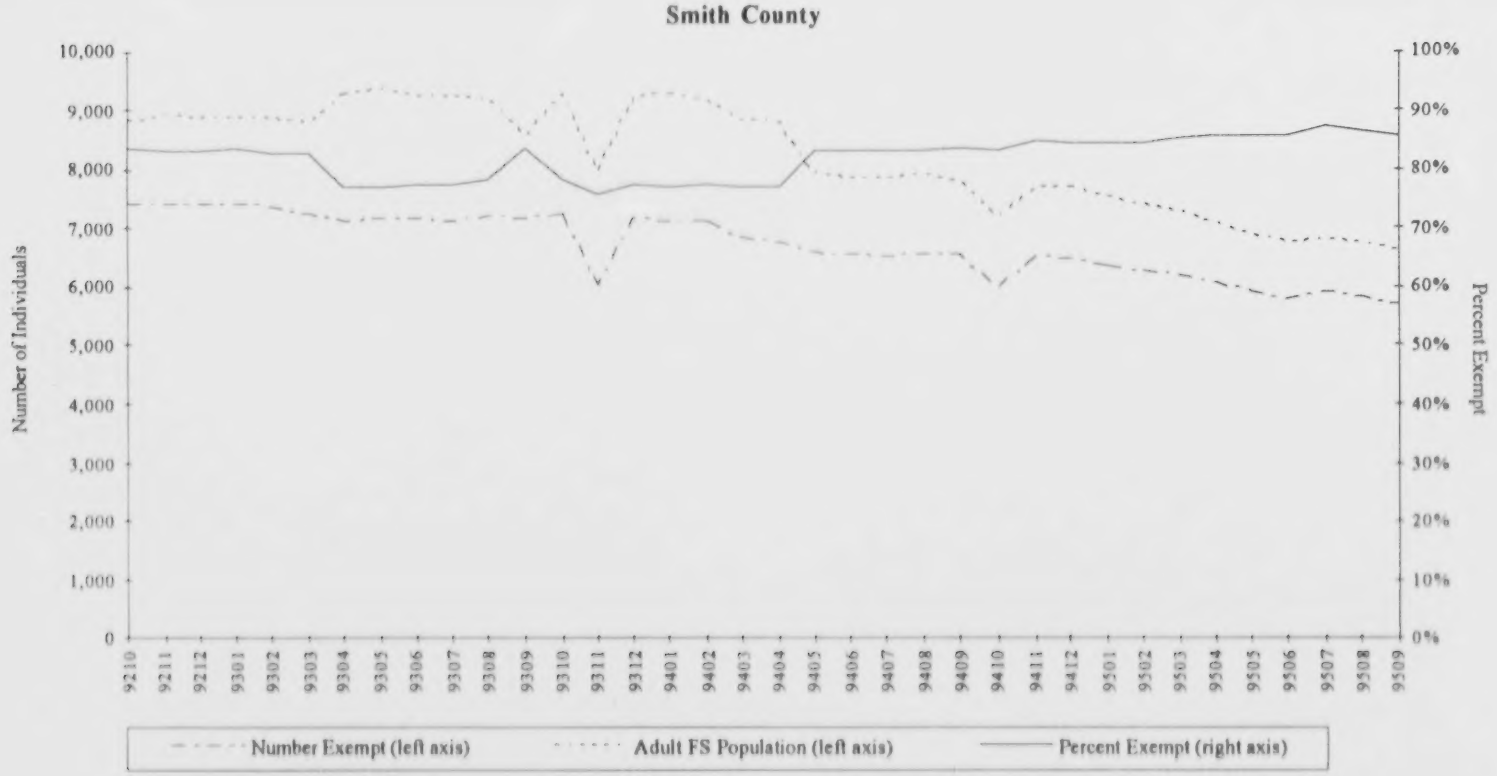
[7] The effort to reduce error rates in determining Food Stamp eligibility generally had a larger effect in those regions with larger error rates. Prior to FFY 1994, the region encompassing Smith County had experienced larger error rates than the region that included McLennan County.

Figure 1
Monthly Exemption Rates by County



Sources: FS Client File, FS Work Registrant File

Figure 1 (cont.)
Monthly Exemption Rates by County



Sources: FS Client File, FS Work Registrant File

Table 5
Demographic Characteristics of FSE&T Participants

	Baseline		First Year of Demonstration		Second Year of Demonstration	
	McLennan	Smith	McLennan	Smith	McLennan	Smith
Total Participants	547	711	696	641	849	331
Distribution (%)						
Gender						
Female	39.6	46.6	68.5	44.8	70.1	55.0
Male	60.4	53.4	31.5	55.2	29.9	45.0
Ethnicity						
White	26.6	34.9	46.7	37.5	52.2	33.6
Black	60.4	61.5	39.1	59.6	32.7	64.0
Hispanic	12.5	3.4	13.7	2.3	14.2	2.2
American-Indian	0.2	0.1	0.0	0.6	0.8	0.2
Asian	0.0	0.2	0.1	0.0	0.1	0.0
Other	0.2	0.0	0.3	0.0	0.1	0.0
Age Group						
Under 24	10.5	15.5	30.9	13.8	26.0	8.1
24-30	17.9	20.7	24.5	17.0	29.7	14.3
31-37	28.4	24.7	21.3	24.9	21.7	26.0
38-44	23.8	20.8	13.7	24.5	14.0	27.3
45-51	12.5	11.3	6.7	13.8	6.3	15.7
52 and older	6.9	7.1	2.8	6.1	2.2	8.7
Average Age	36.7	35.5	30.5	36.4	31.0	38.4
Household Number						
1	53.1	32.5	23.1	38.7	23.4	39.6
2	14.2	21.2	17.3	16.9	19.1	19.7
3	13.4	18.0	21.8	16.1	24.8	17.7
4	9.8	15.2	18.7	12.9	17.3	12.3
5	5.9	7.5	11.6	9.0	10.0	5.6
6+	3.5	5.6	7.5	6.5	5.4	5.1
Average Household	2.2	2.6	3.0	2.6	2.9	2.5
Education						
No formal	0.0	0.2	0.0	0.1	0.0	0.2
1st-6th	1.0	0.7	0.6	0.8	0.8	0.2
7th-9th	12.3	8.0	5.2	7.1	5.5	11.0
10th-11th	30.4	16.4	8.7	12.5	10.2	20.4
Grade 6-12, GED	4.0	3.3	9.1	1.5	6.4	0.9
HS Graduate	40.6	51.7	38.9	58.4	38.6	50.6
Some College	10.7	17.5	33.1	17.6	37.3	15.7
College Graduate	1.1	2.1	0.2	2.0	0.3	1.1
Average Education	11.2	11.6	11.9	11.7	11.9	11.5

Source: FS Client File

participants are important to keep in mind, particularly when viewing unadjusted descriptive results for the remainder of the research questions. Regression results will adjust for these demographic differences.

Descriptive statistics. To determine whether the tighter exemptions changed the number of participants, the percent increase in participants was computed for both the demonstration and comparison counties. These calculations were computed for three different universes: all adult Food Stamp recipients, mandatory work registrants and exempt work registrants.

Table 6
Participation Rates for All Adult FS Recipients

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Observations from Baseline Years			
Number of FSE&T participants	139	174	
Number of adult Food Stamp recipients	14,192	8,634	
Percent of participants out of all adults	0.98%	2.02%	
Observations from First Year of Demonstration			
Number of FSE&T participants	188	81	
Number of adult Food Stamp recipients	13,957	8,101	
Percent of participants out of all adults	1.35%	1.00%	
Change from Baseline Year to First Year			
Number of FSE&T participants	49	-93	142
Number of adult Food Stamp recipients	-234	-533	298
Percent of participants out of all adults	0.37%	-1.02%	1.38%***
Observations from Second Year of Demonstration			
Number of FSE&T participants	253	42	
Number of adult Food Stamp recipients	12,578	7,127	
Percent of participants out of all adults	2.01%	0.59%	
Change from Baseline Year to Second Year			
Number of FSE&T participants	114	-132	246
Number of adult Food Stamp recipients	-1,614	-1,507	-107
Percent of participants out of all adults	1.03%	-1.43%	2.46%***

Notes: Data in table are annual averages of monthly data.
*** statistically significant at .01 level
Sources: FS Client File, Modified JOBS File, U.T. Primary Data Collection

As can be seen in Table 6, the overall size of the adult Food Stamp populations fell in both counties during the study, with Smith County's caseload declining at a faster rate in the caseload in McLennan County. The participation rate of all Food Stamp adults in FSE&T programs is very low. While the demonstration significantly increased the rate of participation in McLennan County, no more than 2 percent of adult Food Stamp recipients ever participated in the program in either county.

To measure changes in participation rates for comparable populations between the two counties, changes in participation among mandatory work registrants must also measured. This is necessary because exempt Food Stamp recipients were not allowed to volunteer for FSE&T services in either county during the baseline period or in Smith County in the demonstration period. Table 7 shows that in the first year of the demonstration, the participation rate fell in both counties. This decline was due primarily to the more time-intensive contractual services developed statewide for FSE&T.[8] Because the participation rate fell even further in Smith County than in McLennan, the estimated demonstration effect is positive. In the second demonstration year, participation in Smith County fell by almost two more percentage points, but in McLennan the participation rate rose slightly. Thus, in the second year of the demonstration, the estimated demonstration effect is nearly 7.6 percent. The differences are statistically significant at the .01 level for both years of the demonstration.

In order to illustrate how the change in exemption policy affected participation rates, Table 7 also gives a separate breakout of the number of mandatory participants in the demonstration county who would have been exempt under the looser exemption criteria. Under the assumption that none of these individuals would have participated if they had not lost their exemption, this figure shows the impact of the change in exemption rules. Fewer than 15 persons per month who became mandatory participants would have been exempt under Food Stamp rules. These persons made up only 13 percent of all mandatory participants in the first year of the demonstration and 9 percent in the second year. Thus, the change in exemption criteria had a relatively small impact on the total share of mandatory participants.

While the tightening in the exemption policy had some effect on participation, a much more powerful effect was induced by the change in policy regarding volunteers. In the baseline, exempt individuals were not allowed to participate in FSE&T activities. In

[8] See O'Shea, 1996 for a complete description of these changes.

Table 7
Participation Rates and Exemption Changes for Mandatory FS Registrants

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Observations from Baseline Years			
Number of Participants	137	169	
Number of Eligible Work Registrants	2,897	1,436	
Percent of Participants out of Eligible Work Registrants	4.73%	11.77%	
Observations from First Year of Demonstration			
Number of Participants	108	79	
Number of Eligible Work Registrants	4,515	1,335	
Percent of Participants out of Eligible Work Registrants	2.39%	5.92%	
Number of Participants who would have been Exempt under old rules	14	N.A.	
Change from Baseline Year to First Year			
Number of Participants	-29	-90	61
Number of Eligible Work Registrants	1,618	-101	1,719
Percent of Participants out of Eligible Work Registrants	-2.34%	-5.85%	3.52%***
Observations from Second Year of Demonstration			
Number of Participants	140	40	
Number of Eligible Work Registrants	3,626	1,043	
Percent of Participants out of Eligible Work Registrants	3.86%	3.84%	
Number of Participants who would have been Exempt under old rules	13	N.A..	
Change from Baseline Year to Second Year			
Number of Participants	3	-129	132
Number of Eligible Work Registrants	729	-393	1,123
Percent of Participants out of Eligible Work Registrants	-0.87%	-7.93%	7.06%***

Notes: Baseline years observations are averages of FFY 1991 and FFY 1992
N.A. means not appropriate. The exemption rules were not changed in the comparison county.
Data are Averages of Monthly Data
*** Statistically significant at the .01 level

Sources: FS Client File, Modified JOBS File, U.T. Primary Data Collection

the demonstration, they were given priority.[9] Table 8 shows that approximately 79 participants per month in the first year of the demonstration and 107 per month in the second year who were exempt from work requirements voluntarily participated in the program. Although still less than two percent of all exempt recipients, these volunteers comprised over 40 percent of all participants in the BOND demonstration.

Table 8
Participation Rates for Exempt FS Clients
(McLennan County Only, Demonstration Years Only)

	First Year of Demonstration	Second Year of Demonstration
Number of Exempt Adult Participants	79	107
Number of Exempt Adult FS Recipients	9,443	8,952
Percent of Participants out of Exempt Adults	0.83%	1.20%

Note: Data in table are annual averages of monthly data.
Sources: FS Client File, Modified JOBS File, U.T. Primary Data Collection

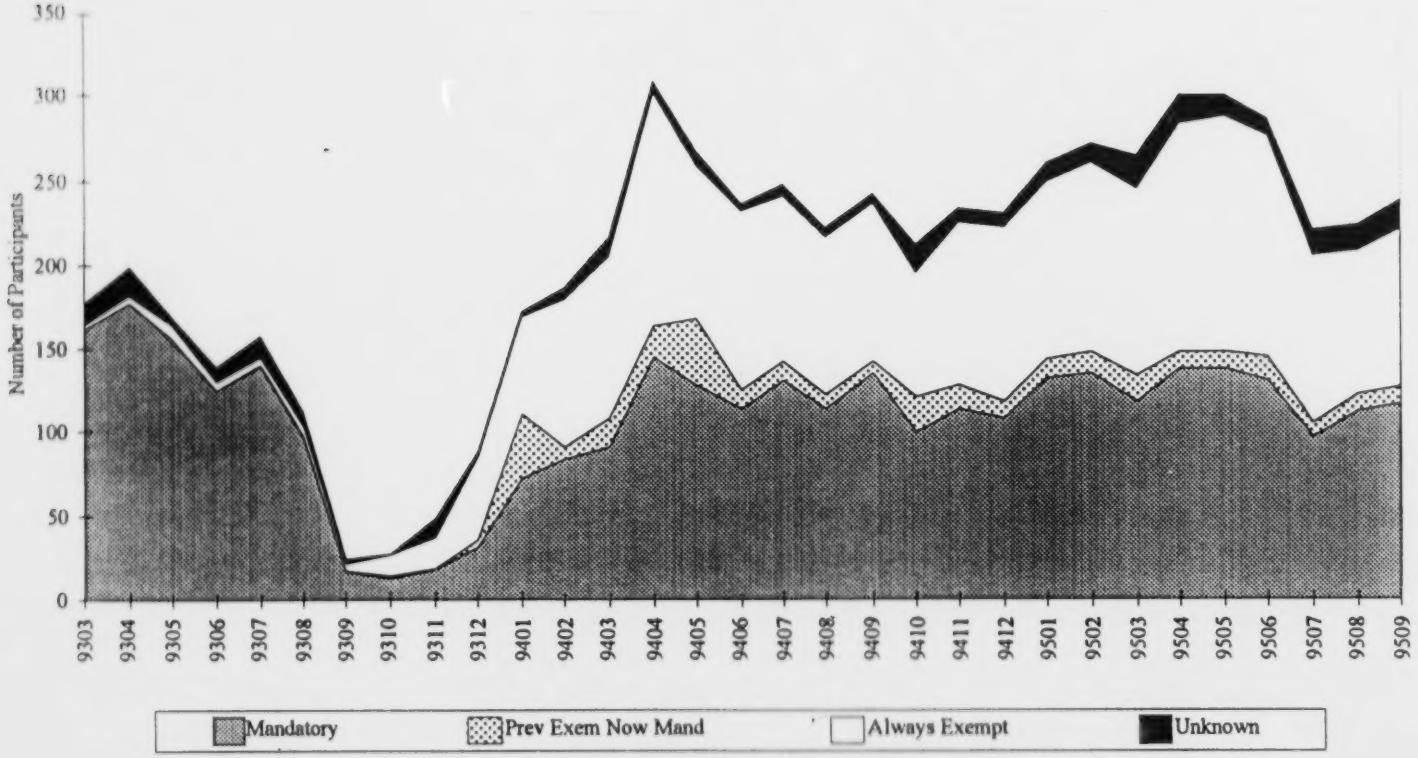
The monthly number of participants by exemption status were graphed for both counties. As can be observed in Figure 2, the population of exempt participants—volunteers—in McLennan County increased dramatically in the demonstration period. The increase dwarfs the increase in participation due to previously exempt recipients becoming mandatory. Since no rule changes were made regarding volunteers in Smith County, the graph is much less dramatic. In Smith County, almost all of the participants were either mandatory or their exemption status could not be determined from the data.

Regression results. The probability of participation for mandatory work registrants also was analyzed by regression methods to adjust for differences due to factors other than the BOND demonstration. The dependent variable of the regression is a dummy variable representing participant status. The independent variables are personal characteristics, household characteristics, county, and demonstration dummy variables. The observations were structured as person-months — thus, for every month an individual is an eligible work registrant, an observation is produced. The coefficient on

[9]In the baseline, even though it was against policy, the data showed a few individuals with exempt status who participated in FSE&T. The presence of exempt participants may be a manifestation of data recording lags, or it may be that policy was sometimes not followed.

Figure 2
Participants by Exemption Type

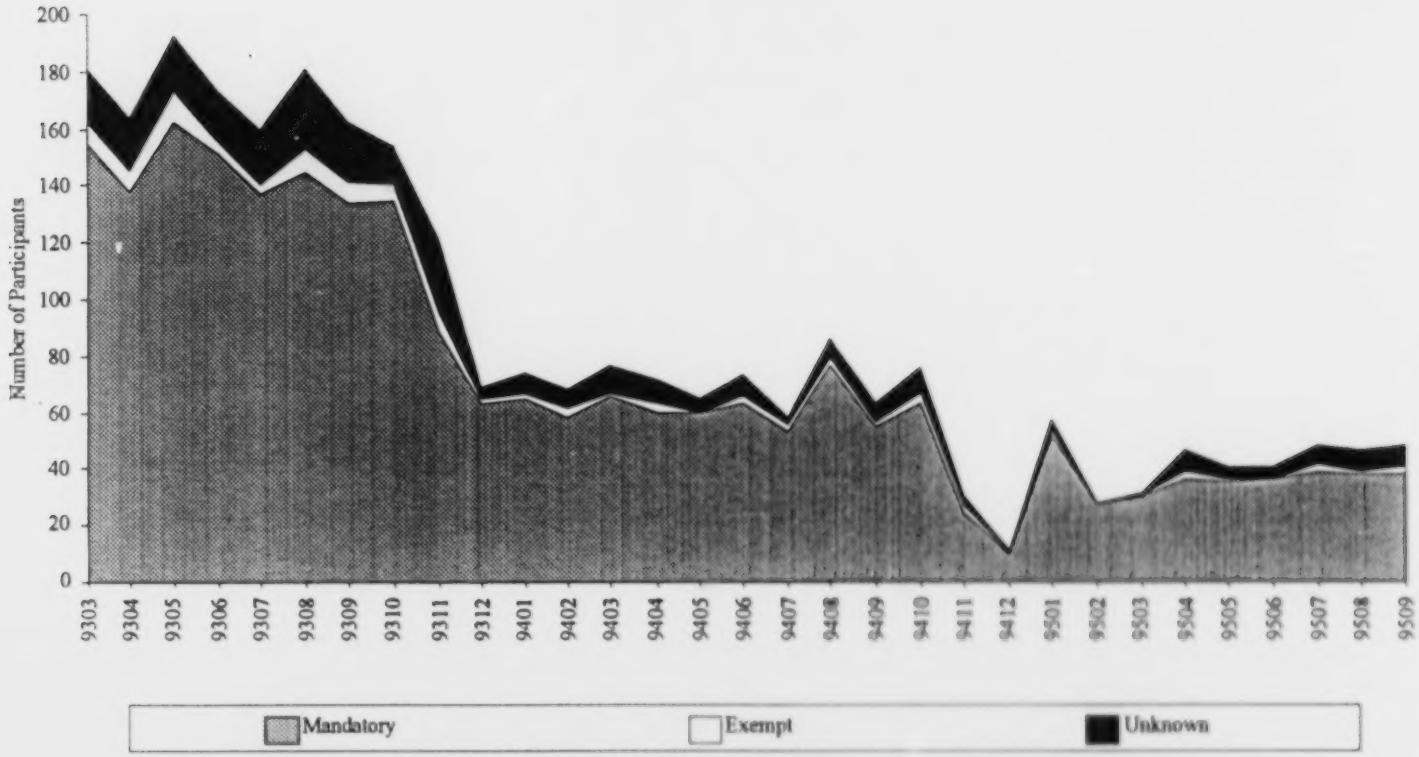
McLennan County



Note: McLennan County participants exclude persons enrolled in assessment and employment
Sources: FS Client File, Modified JOBS File, U.T. Primary Data Collection

Figure 2 (cont.)
Participants by Exemption Type

Smith County



Note: McLennan County participants exclude persons enrolled in assessment and employment
Sources: FS Client File, Modified JOBS File, U.T. Primary Data Collection

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Table 9
Probability of Participation for Mandatory Work Registrants
Dependent Variable: Participation Dummy

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	DEMO	-0.073209	-18.706
	POST1	-0.028993	-8.385
	POST2	-0.052556	-11.521
	DEMOPOS1	0.006528	1.647
	DEMOPOS2	0.038232	8.18
Personal Characteristics Variables	AGECL03	0.000351	3.897
	YOUNG	-0.010341	-5.63
	OLD	0.000589	0.322
	BLACK	0.003511	3.505
	HISPANIC	-0.002297	-1.591
	MALE	0.003078	3.147
	PASTERN	-0.001954	-16.154
	NOHS	-0.011286	-8.941
	SL1	0.010581	7.2
	SL2	-0.001888	-1.028
	SL3	-0.025169	-13.44
	SL4	-0.001779	-0.584
	EVERSANC	-0.015789	-15.572
Household Characteristics Variables	KID0_3	-0.006899	-5.445
	KID4_16	-0.003517	-3.335
	MT2ADUL	0.003285	2.019
	OVR65	0.003763	0.776
	TWO_ADUL	0.004562	4.18
County Variables	UNEMP	-0.002133	-0.797
	INC_GROW	2.05992	11.616
	JOB_GROW	0.566244	2.684
Constant term	INTERCEP	0.045679	1.733

Dependent Mean	0.02373
R-Squared	0.02
Number of observations:	252254

Sources: FS Client File, Modified JOBS File, U.T. Primary Data Collection

DEMOPOS1 gives the change in probability of being a participant that may be attributed to year 1 of the demonstration, and DEMOPOS2 gives the effect for year 2.

Results from the regression analysis, displayed in Table 9, showed that after adjusting for confounding factors, the differences in participation rates among mandatory work registrants between the two counties were not significantly different for the first year. By year two, however, the BOND demonstration had produced significantly higher rates of participation, even after controlling for other differences in participant characteristics and county conditions. Among the factors that increased the probability of participation were: living in a prosperous county, being male, older, having two or more adults in the home, and being black. Conversely, children in the home, previous labor market attachment, being classified as Service Level 3 by DHS, or previous sanctions decreased the likelihood of participation.[10] Persons who had not completed high school were also less likely to participate.

The probability of volunteering for the FSE&T program was also analyzed by regression. The universe of the regression included all exempt members of the FS population in the demonstration county in the demonstration years. The dependent variable of the regression was a dummy variable indicating whether the individual was a volunteer and the independent variables described demographic attributes of exempt FS recipients. The probability of volunteer status is zero in the comparison county for all years, and in the demonstration county in the baseline year.[11]

The regression results in Table 10 reveal that minority individuals, males, the uneducated, those with previous labor-market attachment, and the old are less likely to volunteer, and that people with children in the home, another adult in the home, and who have been sanctioned in the past are more likely to volunteer. Although it may seem counterintuitive that individuals with children in the home are more likely to volunteer, this apparently resulted from the increased availability of child care for BOND participants. As reported in the process evaluation, many individuals may have

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[10] DHS sorts clients based on education, work experience, and the presence of other barriers prior to calling them in for service. Each client who can be sorted through the use of a generic worksheet is designated with Service Levels 1-3; Service Level 4 is used for persons who need to be assessed manually. In the regression, persons with no service level designation were excluded from the regression.

[11] Because all observations in this regression were from the demonstration period in the demonstration county, the dummy variables DEMO, POST1, POST2, DEMOPOS1, and DEMOPOS2 are inappropriate for this regression. Of these dummies, only POST2 is appropriate for inclusion in the regression to determine if the second demonstration year has a differing volunteer rate from the first. Further, the county environmental variables are not appropriate since only one county is included in the regression. To account for the possibility of economic change in the demonstration county over time, the variables SERDATE and SERDATE2 are included to give a quadratic time trend.

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volunteered for the BOND program so as to receive child care funds while participating in postsecondary education.

Table 10
Regression for Probability of Volunteering in McLennan County
Demonstration Years Only
Dependent Variable: VOL

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	POST2	-0.00257	-2.1690
Personal Characteristics Variables	AGECL03	-0.00044	-6.9950
	YOUNG	-0.00191	-1.7120
	OLD	-0.00171	-1.2310
	BLACK	-0.00371	-5.3590
	HISPANIC	-0.00448	-5.4810
	MALE	-0.00876	-12.1760
	PASTERN	0.00092	-14.5650
	NOHS	-0.01159	-15.9360
	SL1	0.00957	11.1900
	SL2	0.00232	2.3200
	SL3	-0.01203	-11.7840
	SL4	0.00672	4.8580
	EVERSANC	0.01905	17.7200
Household Characteristics Variables	KID0_3	0.00708	10.2990
	KID4_16	0.00288	4.2700
	MT2ADUL	0.00308	2.9250
	OVR65	0.00428	1.5720
	TWO_ADUL	0.00345	4.8990
County Variables	SERDATE	0.00098	5.1820
	SERDATE2	-3.77×10^{-8}	-5.0380
Constant term	INTERCEP	-6.36549	-5.2910

Dependent Mean	.01975
R-Squared	.0120
Number of observations:	220722

Sources: FS Client File, Modified JOBS File, U.T. Primary Data Collection

3. What effect have the changes in the sanction policy had on the percentage of work registrants responding to call-in and overall requests for sanctions?

Through the adoption of the stricter JOBS sanctions policy, the BOND demonstration hoped to increase the share of mandatory work registrants responding to initial call-in and to reduce the multiple sanctions being requested for the same individuals. In the baseline period, when a sanction was requested either for failure to respond to call-in or for failure to participate in FSE&T activities, the recipient was allowed an infinite number of cures, simply by demonstrating minimal compliance and intent to comply in the future. Under JOBS rules, participants for whom sanctions were imposed were allowed only one 'painless' cure — second and subsequent sanctions caused a suspension of Food Stamps for three and six months, respectively.

Confounding factors. The measurement of changes attributable to adoption of the JOBS sanction policy in the demonstration was confounded by several factors. First, a statewide change in the regular FSE&T sanction policy took place in October 1992, the middle of the baseline period. The new statewide policy stated that, in most instances, clients must be actively participating in an FSE&T activity to halt the sanctions process; previously, clients were merely required to assert willingness to comply in order to cure sanctions. Because of this change, data from the baseline period prior to October 1992 is not exactly comparable to baseline data from that date to the beginning of the demonstration in October 1993. Accordingly, sanctions data for the baseline period before October 1992 was tabulated separately from the later baseline data, and only the later data was used for pre- and post-demonstration comparisons.

A second problem in computing this measure was the unreliability of administrative data for the number of sanctions actually imposed. While DHS hoped to correct this problem during the demonstration period, it had limited success in this area. Therefore, the evaluators continued to use data for sanctions *requested* by the employment workers rather than sanctions *imposed* by income eligibility staff.

Third, although one of the goals of the demonstration was to reduce the number of multiple sanctions through a clearer sanctions policy, data from the baseline period showed that rates of multiple sanction requests were already very low. Thus, expectations for improvement in this area were probably unrealistic.

Finally, several changes related to call-in procedures complicated the validity of this measure. First, the procedure for calling in mandatory work registrants changed from the baseline period to the demonstration period. In the baseline period, employment counselors called in roughly one-twelfth of all mandatory work registrants each month,

so that any mandatory work registrant remaining on the rolls for a year could expect to be called in at least once. In the demonstration period, however, both the JOBS and FSE&T programs began to determine the number of persons called in based on the capacity of the employment counselors or case managers to schedule client orientations. A second challenge with this measure occurred due to a change in the data system used to collect data on clients called in for BOND participation. Several months of BOND call-in data were contaminated due to problems with the computer system that supported the BOND call-in procedure.

Descriptive statistics. The specific statistics related to call-in, response, and sanction data are presented below. However, given the remarkable volatility of these sources of data during the study period, it is probably unwise to place too much reliance on the findings from this measure.

Table 11 displays the unadjusted demonstration effect for responses to call-in and sanction requests. The results show that the rates of response to call-in decreased in both counties during the first year of the demonstration, then increased somewhat in the second year. However, because Smith County experienced a greater decline than McLennan, the net demonstration effect was positive.

Even though the response rates declined in the first year of the demonstration, the rates of sanctions requested also declined precipitously in McLennan County. Because the rates of sanctions requested increased in Smith County, the net demonstration effect for sanctions requested was negative and statistically significant. Given that the decrease in sanctions requested occurred simultaneously with a decrease in response rates to call-in, it seems likely that the decrease in sanctions requested in McLennan County may have resulted from some of the data problems discussed above. By the second year of the demonstration, both response rates and sanction requests had increased substantially in both counties.

Table 12 shows a breakout of sanctions requested by the number of sanctions previously requested. The data show a marked negative unadjusted demonstration effect for first-time requests for sanctions in both demo years. The number of second- and third-time requests also appear to have a generally negative unadjusted demonstration effect, but the effects are rather small and inconsistent. The decrease in sanction cures is due at least in part to the decrease in sanctions.

Table 11
Response to Initial Call-in and Sanction Rates

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Observations from Baseline Period*			
Total number of work registrants called in	337	196	
Number of persons responding to initial call-in	97	77	
Ratio of Responses to Calls-in	29%	39%	
Number of sanctions requested for failure to respond to call-in	189	106	
Ratio of Sanctions to Calls-in	56%	54%	
Observations from First Year of Demonstration			
Total number of work registrants called in	281	143	
Number of persons responding to initial call-in	61	34	
Ratio of Responses to Calls-in	22%	24%	
Number of sanctions requested for failure to respond to call-in	103	86	
Ratio of Sanctions to Calls-in	37%	60%	
Change from Baseline Year to First Year			
Total number of work registrants called in	-56	-53	-3
Number of persons responding to initial call-in	-36	-43	7
Ratio of Responses to Calls-in	-7%	-16%	8%
Number of sanctions requested for failure to respond to call-in	-86	-20	-66***
Ratio of Sanctions to Calls-in	-19%	6%	-25%
Observations from Second Year of Demonstration			
Total number of work registrants called in	207	107	
Number of persons responding to initial call-in	56	32	
Ratio of Responses to Calls-in	27%	30%	
Number of persons for whom sanctions were requested for failure to respond to call-in	107	77	
Ratio of Sanctions to Calls-in	52%	72%	
Change from Baseline Year to Second Year			
Total number of work registrants called in	-130	-89	-41
Number of persons responding to initial call-in	-41	-45	4
Ratio of Responses to Calls-in	-2%	-9%	8%
Number of persons for whom sanctions were requested for failure to respond to call-in	-82	-29	-53
Ratio of Sanctions to Calls-in	-4%	18%	-22%

Notes: Data are annual averages of monthly data. Percentages are based on monthly averages.
*9308 and 9309 are dropped from the baseline for McLennan due to startup.
*** statistically significant at .01 level
Requests for sanctions were used in lieu of actual sanctions because the data are more reliable.
Sources: RG-45 File, TEC Client File, Modified JOBS File, MASREAD File.

Table 12
Frequency of Requests for Sanctions

	McLennan (Demonstration)		Smith (Comparison)		Estimated Demonstration Effects	
	Number	Percent of Work Registrants Called In	Number	Percent of Work Registrants Called In	Number	Percent of Work Registrants Called In
Monthly Averages over Baseline Period (10/92 to 9/93)*						
First Time Sanction Requests	167	49.55%	99	50.51%		
Second Time Requests	19	5.64%	7	3.57%		
Third Time Requests	3	0.89%	0	0.00%		
Number of Sanctions Cured	7	2.08%	12	6.12%		
Monthly Averages from First Year of Demonstration (10/93 to 9/94)						
First Time Sanction Requests	79	28.11%	71	49.65%		
Second Time Requests	19	6.76%	13	9.09%		
Third Time Requests	5	1.78%	2	1.40%		
Number of Sanctions Cured	1	0.36%	6	4.20%		
Change from Baseline to First Year						
First Time Sanction Requests	-88	-21.44%	-28	-0.86%	-60***	-20.58%***
Second Time Requests	0	1.12%	6	5.52%	-6	-4.40%
Third Time Requests	2	0.89%	2	1.40%	0	-0.51%
Number of Sanctions Cured	-6	-1.72%	-6	-1.93%	0	0.21%
Monthly Averages from Second Year of Demonstration (10/94 to 9/95)						
First Time Sanction Requests	68	32.85%	62	57.94%		
Second Time Requests	27	13.04%	12	11.21%		
Third Time Requests	12	5.80%	3	2.80%		
Number of Sanctions Cured	0	0.00%	8	7.48%		
Change from Baseline to Second Year						
First Time Sanction Requests	-99	-16.70%	-37	7.43%	-62**	-24.14%**
Second Time Requests	8	7.41%	5	7.64%	3	-0.24%
Third Time Requests	9	4.91%	3	2.80%	6**	2.10%**
Number of Sanctions Cured	-7	-2.08%	-4	1.35%	-3*	-3.43%*

Notes: Number of sanctions and cures are annual averages of monthly observations. Percentages are based on monthly averages.

*9308 and 9309 are dropped from the baseline for McLennan due to startup.

*** statistically significant at .01 level; ** .05 level; * .10 level

Requests for sanctions were used in lieu of actual sanctions because the data are more reliable.

Sources: RG-45 file, TEC Client file, Modified JOBS file, MASREAD file.

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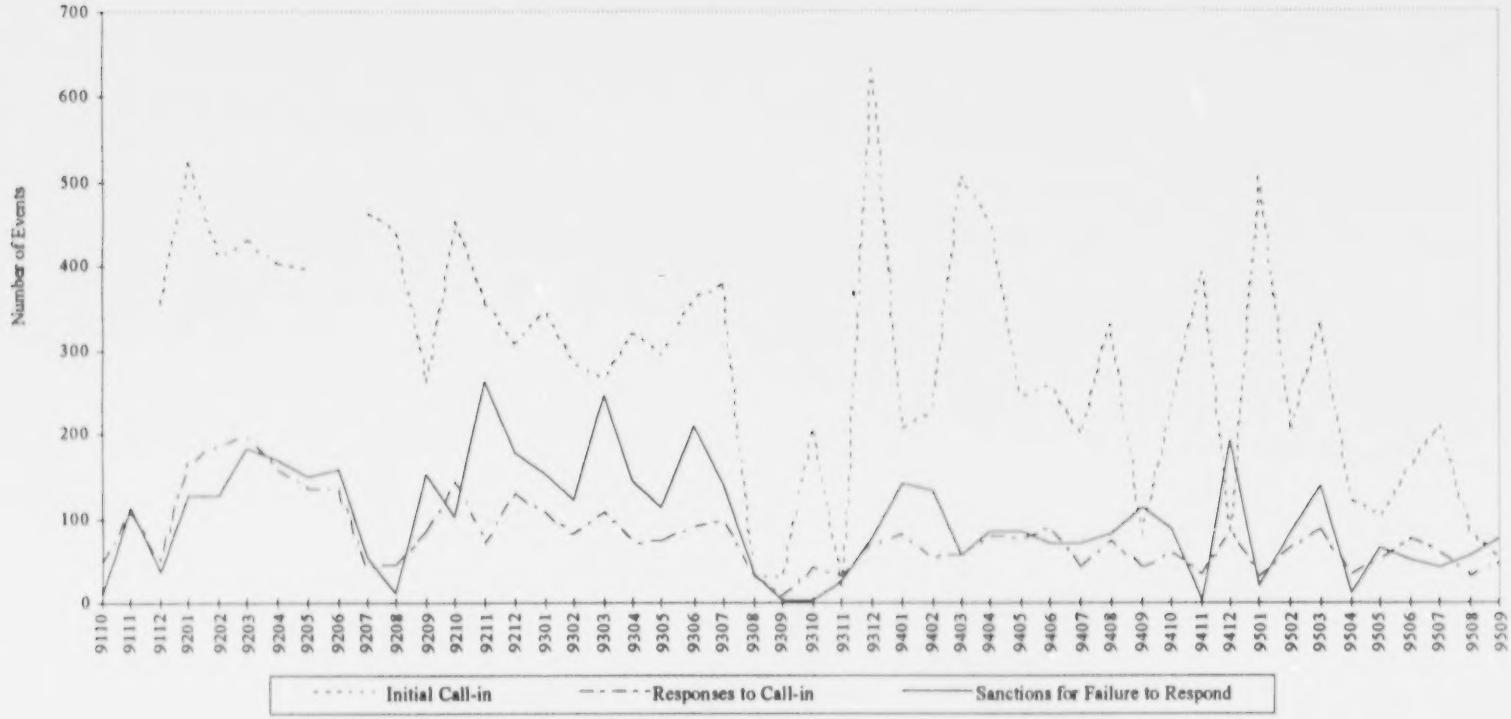
Figure 3
Initial Call-In and Response

McLennan County



Sources: RG-45 File, TEC Client File, Modified JOBS File

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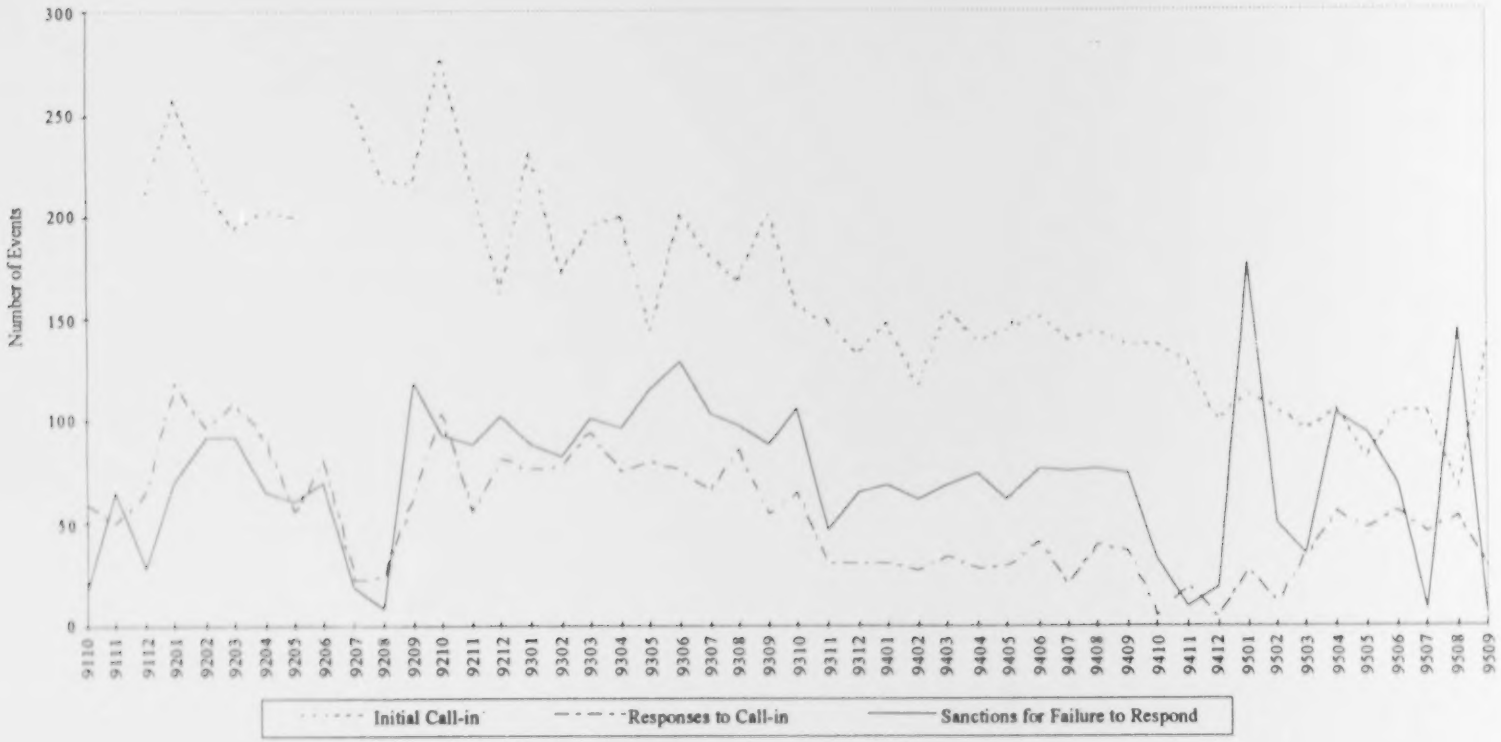
Figure 3 (cont.)
Initial Call-In and Response

Smith County



Sources: RG-45 File, TEC Client File, Modified JOBS File

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The monthly levels of call-in and response were also graphed (Figure 3). It is clear from the graph that unlike changes in the Food Stamp caseloads, where the value of the time series is dependent on slow-moving demographic forces such as population growth and the business cycle, the observations for call-in and response were subject to violent monthly swings. This volatility in the data resulted from the policy changes and computer problems noted above as well as variations in the number of persons called in for contracted services. The graphs clearly indicate why interpretation of these findings is so difficult.

Regression results. The probability of response to initial call-in was also analyzed by means of regression. The population of the regression was all those who were called-in. The dependent variable was a dummy which took the value one if the called-in person responded before being sanctioned, and took the value zero otherwise. The independent variables of the regression included the county, personal and household characteristics of the individuals called, plus the dummy variables for the demonstration. The results of the regression in Table 13 show a net improvement in the response rate in the first demonstration year after adjusting for confounding factors, and a weak degradation of the response rate in the second demonstration year.[12]

The probability of receiving a sanction request was also analyzed by regression analysis. The structure of the regression was similar to the one above except that the dependent variable was a dummy variable that assumed the value of one for individuals who did not respond and were sanctioned after call-in, and zero otherwise. The results in Table 14 show that, even after adjusting for other factors, the chance of having sanctions requested decreased significantly in both years of the demonstration.

[12]This result is strongly dependent on the nature of the county variables UNEMP, INC_GROW, and JOB_GROW used to control for economic conditions in the two counties. If the date and the square of the date are used to control for the county economic conditions, then the response rate effects of the demonstration are positive and significant for both demonstration years.

Table 13
Regression for Probability of Response to Call-in
Dependent Variable: Response Dummy

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	DEMO	-0.03895	-1.7430
	POST1	-0.09660	-3.2360
	POST2	-0.01091	-0.3390
	DEMOPOS1	0.05736	1.9110
	DEMOPOS2	-0.04822	-1.5900
Personal Characteristics Variables	AGECLO3	0.00573	7.2780
	YOUNG	-0.03256	-2.1090
	OLD	-0.04728	-2.9060
	BLACK	0.05366	6.1110
	HISPANIC	0.02095	1.6350
	MALE	-0.03818	-4.4440
	PASTERN	-4.95×10^{-8}	-4.7670
	NOHS	-0.02451	-2.4830
	SL1	0.01224	1.0470
	SL2	0.03785	2.4190
	SL3	-0.10811	-6.6320
	SL4	0.00847	0.3040
	EVERSANC	-0.03208	-2.7230
Household Characteristics Variables	KID0_3	-0.00299	-0.2900
	KID4_16	0.01915	2.2210
	MT2ADUL	-0.02072	-1.5440
	OVR65	0.02416	0.5890
	TWO_ADUL	-0.01195	-1.3180
County Variables	UNEMP	0.04693	2.5940
	INC_GROW	4.16312	6.5900
	JOB_GROW	0.86403	0.4980
Constant term	INTERCEPT	-0.27820	-1.6820

Dependent Mean	.23231
R-squared	.1076
Number of Observations	10726

Sources: RG-45 File, TEC Client File, Modified JOBS File, MASREAD File.

Table 14
Regression for Probability of Sanction after Call-in
Dependent Variable: Sanction Dummy

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	DEMO	0.03201	1.3320
	POST1	0.05013	1.5540
	POST2	0.06891	1.9780
	DEMOPOS1	-0.15973	-4.9260
	DEMOPOS2	-0.17929	-5.4680
Personal Characteristics Variables	AGECLO3	-0.00030	-0.3560
	YOUNG	-0.00283	-0.1700
	OLD	-0.06419	-3.6520
	BLACK	-0.03504	-3.6950
	HISPANIC	-0.00563	-0.4060
	MALE	0.04729	5.1080
	PASTERN	2.49×10^{-8}	2.2190
	NOHS	-0.02229	-2.0910
	SL1	0.18021	14.4150
	SL2	0.08080	4.7890
	SL3	-0.06544	-3.7150
	SL4	0.05349	1.7780
Household Characteristics Variables	KID0_3	-0.10682	-9.6260
	KID4_16	-0.05741	-6.1720
	MT2ADUL	0.07238	4.9880
	OVR65	0.04304	0.9710
	TWO_ADUL	0.02287	2.3320
County Variables	UNEMP	0.07891	4.0380
	INC_GROW	1.82997	2.6790
	JOB_GROW	3.82680	2.0410
Constant term	INTERCEPT	-0.28314	-1.5850

Dependent Mean	0.29654
R-squared	0.1080
Number of Observations	10726

Sources: RG-45 File, TEC Client File, Modified JOBS File, MASREAD File.

Summary of Participation Pattern Results.

Changing the exemption criteria for participation in FSE&T to those used by the JOBS program increased the percentage of mandatory work registrants by 5-7 percentage points during the first two years of the demonstration. Over eighty percent of these new mandatory work registrants were caring for children ages 3-5 years.

Rates of participation were calculated separately for all adult Food Stamp recipients, mandatory work registrants, and adults exempt from work registration. Of all adults on Food Stamps, no more than two percent participated in the FSE&T program in any given month. Participation rates among mandatory work registrants fell in both counties during the first year of the demonstration. After adjusting for other factors, net participation in McLennan County was unchanged during the first year of the demonstration and rose significantly in the second year. Even so, less than 4 percent of all mandatory work registrants participated in FSE&T in either county in the second year of the demonstration. Approximately 9-13 percent of the mandatory participants in McLennan County during the demonstration would have been exempt under the FSE&T exemption criteria.

Although the change in exemption criteria had only a modest effect on participation in FSE&T, giving priority to volunteers — a feature of the JOBS program — had a major impact on the mix of FSE&T participants in McLennan County, particularly since prior FSE&T policy in Texas had not allowed this group to participate in the program. Although less than two percent of all adults who were exempt from participation requirements opted to participate in the demonstration, the group who did volunteer comprised over forty percent of McLennan County participants during the first two years of the demonstration. Among mandatory participants, those most likely to participate were older, male, black, or lived with other adults in the home. Young persons, those with children in the home, persons with prior work experience, and those who had previously been sanctioned were less likely to participate. Among volunteers, however, participants were more likely to be white, female, persons who had completed high school, those with children in the home, or persons with no prior work experience.

DHS expected that the stricter sanctions policy of the JOBS program would induce an increase in the response to call-in, a decrease in the share of sanctions requested, and a reduction in the number of multiple sanction requests for the same individuals. Changes in the call-in and sanctions policies for the statewide FSE&T program during the study period, coupled with administrative and computer difficulties in collecting the data needed for these measures, made it difficult to interpret the call-in, response, and sanctioning data. Some of the observed results were counter-intuitive and

probably resulted from these difficulties. For example, even though the response to call-in decreased during the first year of the demonstration, the requests for sanctions also decreased. While other findings (e.g., the rates of multiple sanction requests for the same individuals) also differed from expected results, they probably occurred because the original hypothesis was flawed. Even in the baseline period, a very small share of work registrants received multiple sanction requests, meaning that there was not much room for improvement in the demonstration.

B. Effects on Services

Six categories of employment and training activities were available to regular FSE&T participants in Texas from FFY 1993 through FFY 1995: directed job search, job readiness, vocational training, nonvocational education, work experience, and refugee services. Practically speaking, however, most persons who enrolled in FSE&T programs throughout the state prior to the demonstration only participated in directed job search and job readiness.

In the BOND demonstration, participants had access to a wider and more intensive array of services developed for the JOBS program and delivered by a number of different agencies through a 'collaborative service delivery' model. During the same time period, the statewide policy for FSE&T encouraged local offices (including the Smith County office) to refer FSE&T participants to a wider array of activities, similar to those offered in the JOBS program. However, actual referrals to education and training services across the state continued to make up only a small share of total FSE&T participation. [13]

One of the challenges of comparing net effects of the demonstration on activities in which persons participated between the two counties is the different terminology used to describe component activities in each program.[14] To overcome this, the evaluators, in cooperation with the DHS project manager, developed a crosswalk in which the more specific JOBS components could be combined so as to compare them with the broader FSE&T terms. Thus, all comparisons between the two counties combined data for JOBS components into the FSE&T terms, according to the groupings shown in Table 15. When more detail is warranted for certain measures applying only to the BOND demonstration, the more precise JOBS definitions will be used.

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[13]A complete discussion of the differences between the services offered in the two programs over time is discussed thoroughly in the *Texas Food Stamp Employment and Training/JOBS Conformance Demonstration Process Evaluation Final Report*, O'Shea, April 1996.

[14]For the purposes of this section, the term 'participation' in a component means that a person completed at least one hour in that component.

Table 15
Activity Components in the Texas FSE&T Program and the JOBS/BOND Programs

FSE&T Component	JOBS/BOND Component
Directed Job Search	Individual Job Search Group Job Search
Job Readiness	Job Preparation Survival/Life Skills
Vocational Training	Job Skills Training Self-initiated Training
Nonvocational Education	High School GED Basic/Remedial Education English as Second Language (ESL) Post secondary Education Self-initiated Education
Work Experience	On-the-Job Training Volunteer Work Experience

Source: Modified JOBS File, Manually Collected Participation Data.

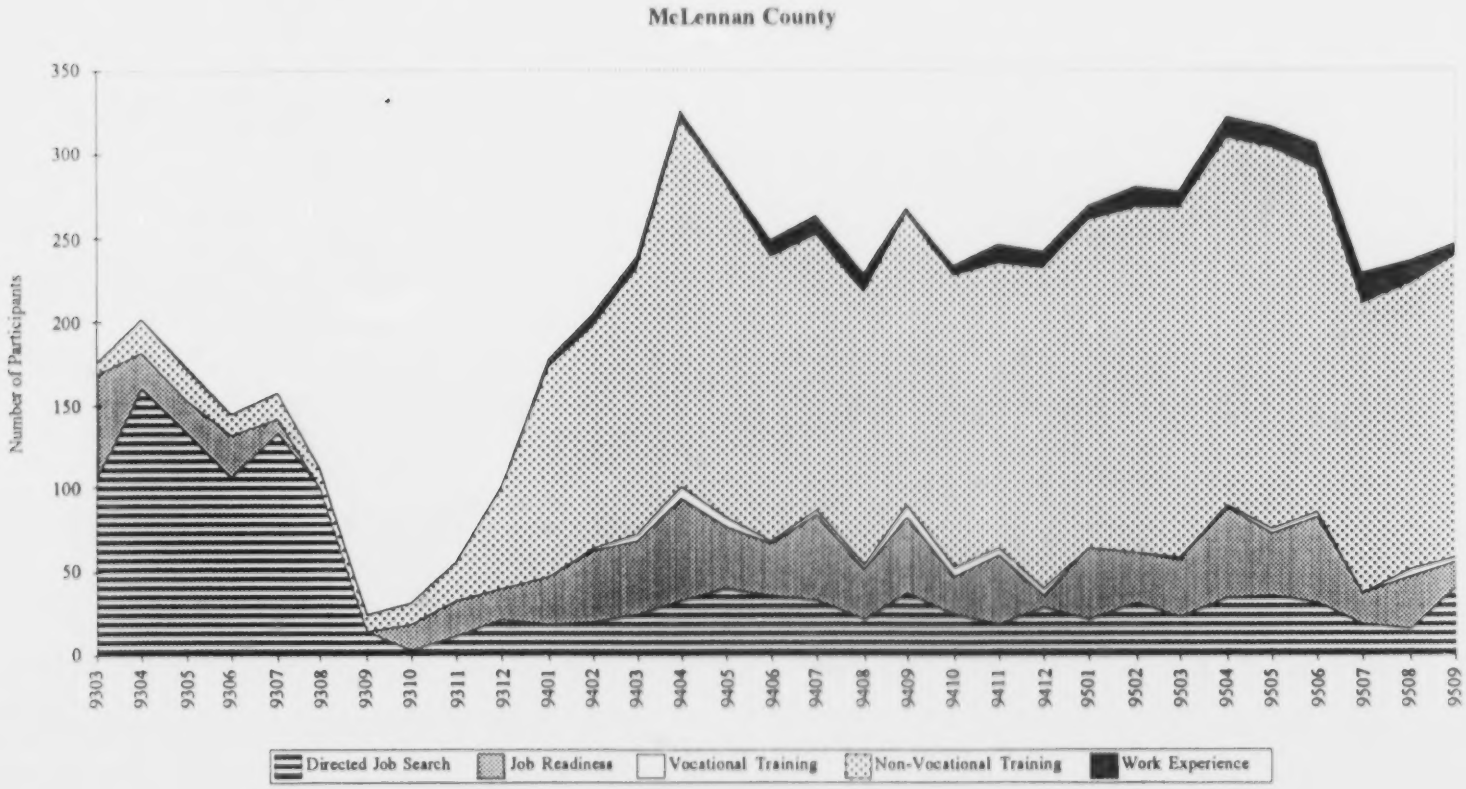
1. What changes have occurred in the total number of clients in each activity, the mix of activities in which clients participate, the length of time in activities, and total time in the FSE&T program?

Descriptive statistics. Substantial changes occurred in the mix of activities in which persons participated during the BOND demonstration. The unadjusted net effects for each activity, summarized in Table 16, show that large reductions occurred in both the number and share of participants in directed job search in McLennan County. This decrease was accompanied by an even larger increase in participants in nonvocational education. There are smaller changes in the other activities as well, but none of the other changes are even close in magnitude to the shift from directed job search to nonvocational education.[15]

The change in activity mix is depicted graphically in Figure 4, which shows the mix of activities for both counties on a monthly basis. The graphs show clearly the

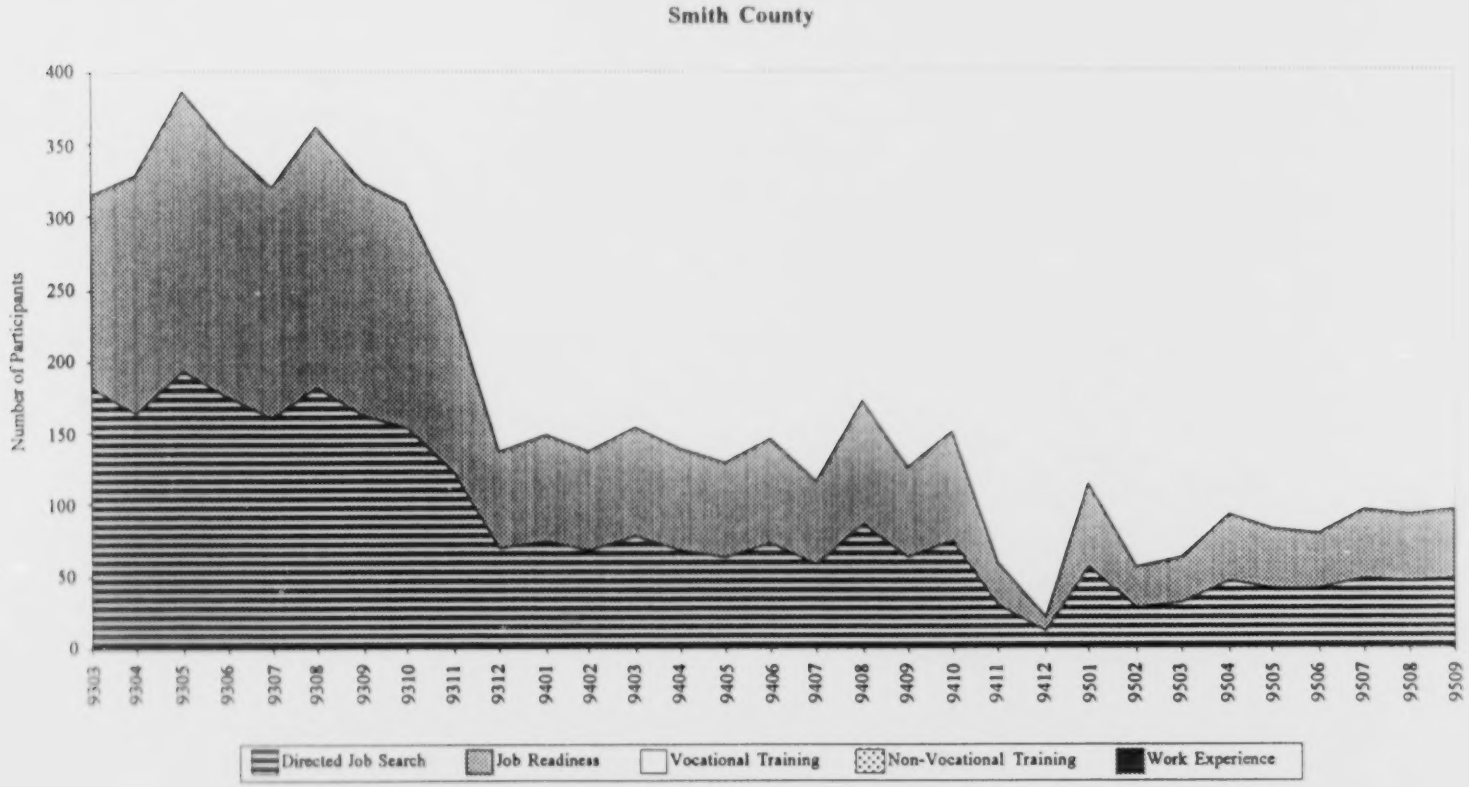
[15]Complete tables showing the calculations that produced these results can be found in Appendix A, Tables A-1 through A-5.

Figure 4
Number of Participants by Activity



Sources: FS Client File, Modified JOBS File, U.T. Primary Data Collection

Figure 4 (cont.)
Number of Participants by Activity



Sources: FS Client File, Modified JOBS File, U.T. Primary Data Collection

greatly reduced emphasis of direct job search, accompanied by a large increase in the persons enrolled in various educational components. The unadjusted demonstration effects are almost completely the result of changes in the McLennan County. While the overall number of persons served in Smith County declined greatly due to the caseload declines described earlier, the mix of services in the comparison county hardly changed at all.

Table 16
Summary of Unadjusted Net Effects on Participation by Activity

Activity	Year 1	Year 2
Directed Job Search	-64.6%***	-67.4%***
Job Readiness	0.9%	-5.5%***
Vocational Training	1.5%***	1.0%***
Nonvocational Education	61.9%***	67.4%***
Work Experience	2.8%***	4.5%***

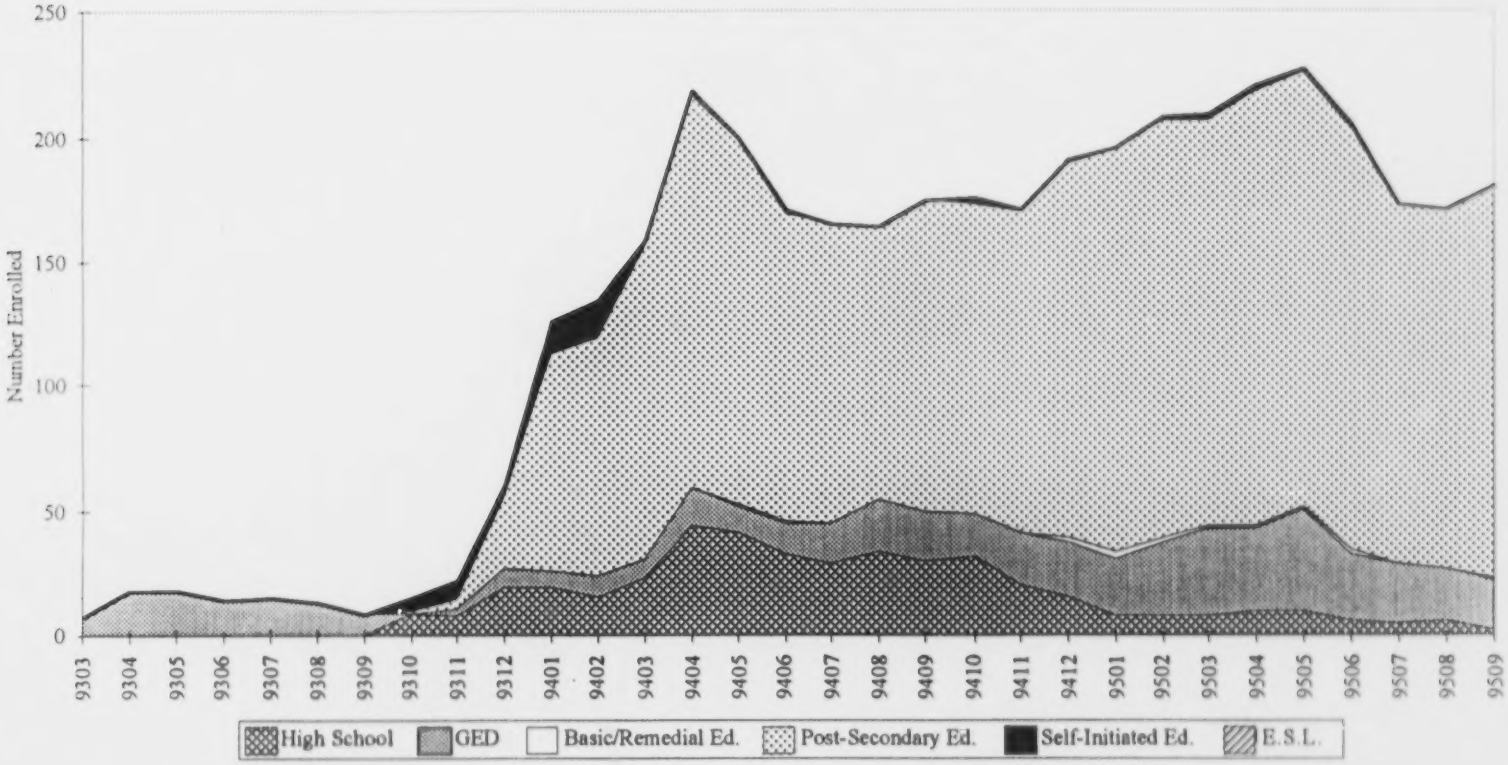
Note: *** statistically significant at .01 level
Sources: Manually Collected Participation Data, Modified JOBS File.

A closer look at the composition of nonvocational education in McLennan County (Figure 5) indicates that the overwhelming majority of participants in this component were enrolled in post-secondary education, typically either at McLennan Community College or Texas State Technical College. Substantial increases in enrollments also occurred in GED activities and, during the first year of the demonstration, in high school. It should be noted that, although these participation patterns were comparable to those for JOBS participants in McLennan County, the overall JOBS program in Texas did not usually enroll such numbers in post-secondary education.

The intensity of the services in McLennan County also increased substantially during the demonstration. As shown in Table 17, the monthly average number of hours per participant increased for all components in both counties during the demonstration. While the hours per month in contracted components—directed job search and job readiness—were comparable in both counties during the demonstration period, McLennan County participants still averaged significantly more monthly hours per participant on an overall basis. Most of that difference occurred due to the huge increase in the number of hours of participation in nonvocational education in McLennan County.

Figure 5
Components of Nonvocational Education

McLennan County



Sources: FS Client File, Modified JOBS File

Table 17
Hours per Month per Participant—Total and by Activity

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Average Monthly Hours per Participant from Short Baseline			
Total	24	49	
Directed Job Search	25	29	
Job Readiness	16	21	
Vocational Training	0	0	
Nonvocational Education	23	0	
Work Experience	11	0	
Average Monthly Hours per Participant from First Year of Demonstration			
Total	81	76	
Directed Job Search	39	51	
Job Readiness	35	26	
Vocational Training	30	0	
Nonvocational Education	97	0	
Work Experience	45	0	
Change from Short Baseline to First Year			
Total	57	27	30
Directed Job Search	14	22	-7
Job Readiness	19	5	14
Vocational Training	30	0	30
Nonvocational Education	73	0	73
Work Experience	34	0	34
Average Monthly Participants from Second Year of Demonstration			
Total	86	84	
Directed Job Search	42	45	
Job Readiness	41	39	
Vocational Training	68	0	
Nonvocational Education	94	0	
Work Experience	74	0	
Change from Short Baseline to Second Year			
Total	61	35	26
Directed Job Search	18	16	1
Job Readiness	25	18	7
Vocational Training	68	0	68
Nonvocational Education	70	0	70
Work Experience	64	0	64

Notes: Total participants include only those with actual hours in activities other than assessment and employment entry. Averages for each component include only persons enrolled in that component.
In McLennan, September 1993 has been dropped from baseline as not representative
Sources: Manually Collected Participation Data, Modified JOBS File.

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In addition to analyzing the number of hours each individual spent in activities on a monthly basis, the total time spent in program was computed. This analysis was complicated by three related factors. First, there is no clear demarcation when a person is no longer in a program. Completion codes are incomplete or missing often enough that they are not a reliable indicator that a person is no longer in a program. Further, even if a person finishes one activity and receives a completion code, it is entirely possible for that person to start another activity—thereby remaining in the "program", even though a completion has been recorded. The second difficulty in looking at time in program is that a period of participation can easily span the fiscal year boundaries that divide the baseline, first and second demonstration years. When participation spans years, it is difficult to unambiguously assign the period of participation to a particular year. The third difficulty in analyzing time in program is that the baseline period for participation data availability is shorter than the demonstration periods and is therefore not exactly comparable.

The approach used to minimize the influence of the above described difficulties was to divide each population of participants into two subgroups — those who were still participating at the end of the period, and those who were not. For those not participating at the end of the period, it was assumed that their spell of participation had ended. Total time in the program for these individuals was computed by summing up all months of participation that took place during the period. Persons still participating at the end of a time period were not included in the calculation because it was unclear how much longer their participation would last.

One goal of the demonstration was to determine if the total time in the program increased as a result of the demonstration. As shown in Table 18, the net effect of the demonstration on the total time in program increased significantly for persons who had completed participation and averaged approximately .9 to 1.3 months difference. The percent of persons still enrolled in the program at the end of each time period also increased, with one fourth of McLennan County participants still enrolled at the end of the second year of demonstration. In Smith County, only 13 percent of participants were still enrolled on that date. The higher rate of persons still enrolled in McLennan County can probably be explained by the larger share of persons enrolled in educational activities.[16]

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[16] The estimated demonstration effect was not calculated for the 'percent still enrolled at the end of period' because of the artificially low 4.16 percent figure at the end of the baseline period in McLennan County. This occurred because program operators ended call-in in July 1993 to prepare for the demonstration.

Table 18
Total Time in the FSE&T Program per Participant

	McLennan	Smith	Estimated Demonstration Effect
Baseline			
Months in for those not Still In	1.79	1.69	
Percent Still in at End of Period	4.16%	21.73%	
First Year of Demonstration			
Months in for those not Still In	2.52	1.55	
Percent Still in at End of Period	34.10%	9.51%	
Difference			
Months in for those not Still In	0.73	-0.15	0.88***
Second Year of Demonstration			
Months in for those not Still In	3.02	1.56	
Percent Still in at End of Period	26.63%	13.33%	
Difference			
Months in for those not Still In	1.23	-0.13	1.36***

Note: *** statistically significant at .01 level
Sources: Manually Collected Participation Data, Modified JOBS File

Participation in specific activities was also tabulated for subgroups of participants to determine if there were differences in participation patterns among mandatory and voluntary participants.[17] Table 19 clearly indicates that mandatory and voluntary participants were enrolled in different types of activities during the demonstration. Chi-Squared tests indicated that these differences were systematic. Additional statistical tests performed on differences between mandatory and voluntary participants in the proportion of individuals in each activity indicated that volunteers are significantly underrepresented in the job readiness activity and overrepresented in nonvocational education. Volunteers also spent significantly fewer hours in directed job search than mandatory participants.

[17]This calculation is only applicable in McLennan County during the BOND demonstration because volunteers were not served in the regular FSE&T program.

Table 19
Participants and Hours by Activity and Exemption Status

	McLennan County		
	Participants	Participation Hours	Participation Hours Per Participant
Observations from First Year of Demonstration All FSE&T Participants			
Directed Job Search	24	1054	44
Job readiness	36	1278	36
Vocational Training	3	151	53
Nonvocational Education	134	13300	99
Work Experience	5	433	80
Always Mandatory FSE&T Participants			
Directed Job Search	22	974	44
Job readiness	32	1124	36
Vocational Training	1	78	116
Nonvocational Education	42	3717	88
Work Experience	3	254	76
Previously Exempt Now Mandatory FSE&T Participants			
Directed Job Search	00	3	33
Job readiness	1	85	156
Vocational Training	1	44	54
Nonvocational Education	14	1190	86
Work Experience	1	89	122
Voluntary FSE&T Participants			
Directed Job Search	2	111	61
Job readiness	3	120	39
Vocational Training	1	99	91
Nonvocational Education	74	7975	108
Work Experience	1	255	191
FSE&T Participants Whose Exemption Status is Unknown			
Directed Job Search	0	23	62
Job readiness	1	70	97
Vocational Training	0	12	33
Nonvocational Education	6	564	97
Work Experience	0	60	660

Table 19 (cont.)
Participants and Hours by Activity and Exemption Status

	McLennan County		
	Participants	Participation Hours	Participation Hours Per Participant
Observations from Second Year of Demonstration All FSE&T Participants			
Directed Job Search	26	1129	43
Job readiness	32	1281	40
Vocational Training	3	250	97
Nonvocational Education	194	18143	94
Work Experience	12	879	76
Always Mandatory FSE&T Participants			
Directed Job Search	22	979	44
Job readiness	25	926	37
Vocational Training	0	83	248
Nonvocational Education	76	6852	90
Work Experience	6	336	61
Previously Exempt Now Mandatory FSE&T Participants			
Directed Job Search	1	61	82
Job readiness	1	80	80
Vocational Training	0	0	0
Nonvocational Education	11	955	90
Work Experience	1	58	77
Voluntary FSE&T Participants			
Directed Job Search	2	99	43
Job readiness	5	299	57
Vocational Training	2	219	101
Nonvocational Education	96	9290	97
Work Experience	5	521	103
FSE&T Participants Whose Exemption Status is Unknown			
Directed Job Search	1	66	72
Job readiness	1	42	46
Vocational Training	0	60	720
Nonvocational Education	12	1046	90
Work Experience	0	107	427

Notes: This table is applicable only for the demonstration county during demonstration years because there are no volunteers in activities in the demonstration county during the baseline year, or in the comparison county during any year.

Data are averages of monthly observations.

Sources: Manually Collected Participation Data, Modified JOBS File, FS Client File, FS Work Registrant File.

Regression results. Regressions were run for each activity to determine how much of the differences in participation patterns were attributable to program changes (both in the demonstration and comparison counties) after controlling for differences in client household characteristics and economic conditions. The dependent variable is a dummy for whether the individual had participated in that activity. The independent variables were the usual demographic, county and program variables. The universe for these regressions includes person-month observations for all program participants.

Since there were no participants in vocational training, nonvocational education and work experience in Smith County and because the enrollment of individuals in activities differed so fundamentally between the two counties, separate regressions were run for each county, using as dependent variables only the activities that are available in the county. The dependent variables POST1 and POST2 show the effects of the demonstration years relative to the baseline years for both counties.[18]

In the above regressions, the variable VOL was included in the McLennan County regressions to determine whether being a voluntary work registrant would affect the probability of being assigned to various activities. (VOL was not added to the Smith County regressions because there were not supposed to be any volunteers in Smith County.)

The results, which are summarized in Table 20, indicate that the reductions in job search, and increases in job readiness and nonvocational education in McLennan County are all strongly significant and can be attributed to changes in the program itself. Changes in enrollments in vocational training and work experience were not significant.[19] Being a volunteer significantly increased the likelihood of participation in nonvocational education and vocational training and decreased the likelihood of participation in all other activities.

---

[18]The single-county specification of these equations also precluded the use of UNEMP, JOB_GROW and INC_GROW as variables in the regression because the small number of unique data for these variables caused a linear dependence problem between them and the variables POST1 and POST2. To ameliorate this problem, the effect of the economy was modeled using the date (SERDATE) and the square of the date (SERDATE) as regressors.

[19] In Texas, some activities that might be considered 'vocational training' in other states — such as occupationally-relevant training provided by community colleges — are included in the category of 'nonvocational education'.

Table 20
Changes in Participation Patterns Attributable to Changes in Program
Summary of Regression Results

McLennan County

	Post 1	Post 2
Dependent Variable	**Coefficients**	
Directed Job Search	-.5686**	-.6056**
Job Readiness	.5254**	.5655**
Nonvocational Education	.1982**	.2121**
Vocational Training	-.0105	-.0153
Work Experience	-.0119	-.0208

Smith County

Directed Job Search	-.0001	.0033
Job Readiness	-.0616**	-.0652**

Note: ** statistically significant at .05 level.
Source: Appendix Tables A6 - A10

Complete regression results for McLennan County, which are included in Appendix Tables A6-A10, indicate that a number of non-program variables were significantly associated with participation in particular components. Older, Black, Service Level 1 and Service Level 2 participants were more likely to participate in directed job search while persons in households with children aged 4-16, or those with more than two adults were less likely to enroll in this component. Participants in job readiness were more likely to be older, Black, Hispanic, Service Level 1 or have prior work experience. On the other hand, persons in households with two or more adults, and those with children ages 4-16 were more likely to be enrolled in nonvocational education. Non-high school graduates, Service Level 1 participants, older persons, and those who had ever received sanctions were less likely to enroll in these components.

The regression results for Smith County revealed significant reductions in the number of job readiness participants during the years of the demonstration, as observed earlier However, few other changes between the baseline and demonstration years were significant.

Supportive services. Original plans for the evaluation included measurement of the impact of the evaluation on the receipt of supportive services. This was later dropped as a formal measure because it was not possible to link data for children served in child care to specific adults who needed child care in order to participate in program activities. Information from other components of the evaluation, however, indicate that the increase in the use of child care is one of the most dramatic impacts of the demonstration — both because this supportive service enabled significant numbers of persons with young children to volunteer for the program and because the use of child care in McLennan County absorbed most of the funds available for FSE&T child care in the entire state. [20]

2. What impact has the demonstration had on the number of participants completing high school, receiving GEDs and completing vocational training?

High school completions. Although the number of McLennan County FSE&T participants enrolled in high school increased as a result of the demonstration, it was not possible to measure the impact on high school completions because the Texas Education Agency would not release high school completion data.[21]

GED completions. One of the goals of the demonstration was to increase the availability of GED classes in McLennan County for FSE&T participants, and concomitantly increase the number of GEDs awarded. Progress toward the goal of GED attainment was measured by tabulating the number of participants who received GEDs after participation in the four GED-oriented components of nonvocational education — self-initiated education, basic/remedial education, ESL, and GED. Table 21 clearly shows the increased participation in GED-oriented education, as well as an increasing number of graduates who received GEDs and an increasing percent of graduates who successfully received a GED. Because no GED classes were offered in the comparison county, it was not possible to estimate the unadjusted net effect of the demonstration relative to the comparison county. However, one may infer that the gross effects observed for McLennan County also represent the unadjusted net effects for the demonstration because the gross effect for Smith county is zero.[22]

Originally, the evaluation planned to estimate the net effect of the demonstration by assessing the probability of GED receipt among adult Food Stamp recipients who had

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[20]The relationship between the policy decision to allow volunteers to participate in the BOND program and the cost of child care is discussed in detail in O'Shea, April 1996 and King et al., February 1997.

[21]Memorandum from David Anderson of the Texas Education Agency, October 3, 1996.

[22] Additional GEDs that were awarded in both McLennan and Smith counties for persons who had not enrolled in educational components. Because these GEDs did not appear to have been influenced by a person's FSE&T participation, they were excluded from this table.

not completed high school, which is acceptable statistically because there are non-high school graduates in both counties. This procedure was abandoned because a substantial proportion of the GED recipients were self-reported as already having attained high school graduation. Since the self-reported education variable was unreliable, the population eligible for GEDs could not be accurately determined.[23]

Table 21
Participation in GED Activities and GED Receipt—McLennan County

	Number of Participants in GED-Oriented Components	Number of GEDs Awarded to GED-Oriented Components Participants	Percent of Successful Participants
Baseline	31	4	13%
First Demonstration Year	82	13	16%
Second Demonstration Year	116	20	17%

Sources: Modified JOBS File, TEA GED File

Vocational training. Because no data source was available to measure this measure, it was dropped. However, some persons may have received vocational training through the Texas State Technical College or through a local community college. To the extent that such training resulted in a certificate or degree, it would be included in the outcomes for post-secondary education.

Post-secondary education. Although the demonstration did not specifically aspire to increase postsecondary educational outcomes, many persons in McLennan County enrolled in such programs, particularly voluntary participants. Completion of postsecondary education was added as a measure to document this unintended result of the demonstration. Table 2? shows both the increased number and percent of participants who received degrees or certificates after participating in FSE&T. As can be seen in that table, the number of persons receiving post-secondary degrees increased significantly as a result of the demonstration.[24]

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[23]This study provided the first opportunity to test the accuracy of the self-reported education variable within DHS' SAVERR data system. The unreliability of this variable raises concerns in light of recent welfare reform legislation in Texas in which time limits are partially based on a recipient's educational level.

[24]Data on postsecondary degrees granted were only available through the summer of 1995. Addition of 1996 data should increase the incidence of postsecondary degrees even more.

Table 22
Participants Who Received Post-Secondary Degrees or Certificates

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Baseline			
Participants	547	711	
Degrees or Certificates Awarded to Participants	1	7	
Percent of Participants Receiving Degrees or Certificates	0.18%	0.98%	
First Year of Demonstration			
Participants	696	641	
Degrees or Certificates Awarded to Participants	43	2	
Percent of Participants Receiving Degrees or Certificates	6.18%	0.31%	
Change from Short Baseline to First Year			
Participants	149	-70	219
Degrees or Certificates Awarded to Participants	42	-5	47
Percent of Participants Receiving Degrees or Certificates	6.00%	-0.67%	6.67%***
Second Year of Demonstration			
Participants	849	331	
Degrees or Certificates Awarded to Participants	69	1	
Percent of Participants Receiving Degrees or Certificates	8.13%	0.30%	
Change from Short Baseline to Second Year			
Participants	302	-380	682
Degrees or Certificates Awarded to Participants	68	-6	74
Percent of Participants Receiving Degrees or Certificates	7.94%	-0.68%	8.63%***

Note: *** statistically significant at .01 level
Sources: Primary Data, Modified JOBS File, Higher Education Coordinating Board File

The probability of receiving a postsecondary degree after participating is amenable to analysis by regression. The dependent variable is a dummy variable which takes the value 1 if the participant received a degree, and takes the value zero otherwise. The independent variables include the usual demographic, environmental and program variables. The population of the regression included all participants in FSE&T.

The regression coefficients for DEMOPOS1 and DEMOPOS2 (Table 23) show that the probability of a participant receiving a degree was somewhat higher in the

demonstration county during the demonstration period, but that the increases were not statistically significant. This result appears rather counterintuitive given the extremely strong unadjusted demonstration effect reported in Table 22. The explanation for the difference in statistical results is that the real influence on degree receipt came about as a result of the changes in participation patterns. Because the demographic characteristics of volunteers—who made up a disproportionate share of persons enrolled in postsecondary education—differed so markedly from those of mandatory participants, the increased share of persons getting degrees was explained by the personal characteristics variables in the regression.

Summary of Effects on Services

The BOND demonstration significantly changed the types of components in which FSE&T participants were enrolled, while no such change was observed in the comparison county. A significantly larger share of enrollees participated in nonvocational education, while a smaller share enrolled in directed job search, even after controlling for personal and economic factors. Most of the increases in nonvocational education were due to substantially more enrollments in post-secondary education. Even though nearly half of mandatory participants enrolled in educational components, being a voluntary participant significantly increased the likelihood of such an enrollment. Almost all voluntary participants enrolled in education or vocational training activities.

Total monthly hours by component increased significantly during the demonstration for nonvocational education, vocational training, and work experience. Even though the absolute monthly hours per participant in directed job search and job readiness increased in McLennan County during the demonstration period, similar increases were observed in Smith County, thus resulting in no significant differences between the two locations. The total length of time in the program increased by approximately one month for persons who had completed their participation. A higher proportion of persons in McLennan County were still enrolled in the program at the end of each time period measured, another indicator of longer total program duration.

By the second year of the demonstration, four times more persons had enrolled in GED-preparation activities in McLennan County than in the baseline period. The percent of participants receiving GEDs rose by four percentage points, primarily because of greater number of persons enrolled in this component. No participants enrolled in GED classes in Smith County.

Table 23
Probability of Receiving a Post-Secondary Degree or Certificate

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	DEMO	-0.01447	-0.584
	POST1	-0.00994	-0.699
	POST2	-0.01398	-0.548
	DEMOPOS1	0.03187	0.94
	DEMOPOS2	0.04627	1.298
Personal Characteristics	AGECLO3	-0.00087	-1.455
Variables	YOUNG	-0.04566	-3.581
	OLD	0.00521	0.456
	BLACK	-0.03936	-6.097
	HISPANIC	-0.02353	-2.134
	MALE	0.02253	3.499
	PASTERN	-6.71×10^{-8}	-0.761
	NOHS	-0.04516	-5.163
	SL1	-0.04026	-3.932
	SL2	-0.01484	-1.154
	SL3	-0.06750	-3.759
	SL4	-0.01385	-0.704
Household Characteristics	KID0_3	-0.00189	-0.206
Variables	KID4_16	0.00273	0.406
	MT2ADUL	0.00010	0.009
	OVR65	0.00519	0.17
	TWO_ADUL	0.00410	0.587
County Variables	UNEMP	-0.00899	-0.512
	INC_GROW	0.83790	0.495
	JOB_GROW	0.57014	0.31
Constant term	INTERCEPT		

Dependent Mean	0.03391
R-squared	0.0821
Number of Observations	3567

Sources: Primary Data, Modified JOBS File, Higher Education Coordinating Board File, FS Client File

The number of persons receiving post-secondary degrees also increased significantly during the demonstration. Most of this increase was accounted for by differences in the demographic characteristics of persons getting degrees, rather than other features of the demonstration. The extraordinarily high enrollment of volunteers in this component accounted for a large portion of the increased percentage of persons receiving postsecondary degrees.

C. Effects on Employment

The ultimate objective of the demonstration was to create a combined FSE&T and JOBS system of employment services that would improve participants' ability to achieve long-term self-sufficiency and labor market attachment. To measure the ability of participants who completed their activities to succeed in the labor market, the evaluation measured both employment and earnings outcomes for FSE&T activity completers. Both immediate employment outcomes after participation and employment in the year following participation were measured. These outcomes were represented by the following two dummy variables:

1) EMPLD, which takes the value 1 if the participant was reported to have earned any amount of U.I. earnings in the quarter of activity completion or in the quarter following completion, and takes the value zero otherwise, and

2) STEADY_EMP, which takes the value 1 if the participant was reported to have earned at least $1,500 in U.I. earnings for four consecutive quarters after completing activities, and takes the value zero otherwise.

Earnings outcomes were measured in a corresponding manner. For observations in which EMPLD takes the value 1, earnings outcomes were measured by the logarithm of the amount of money earned in the quarter of completion or the following quarter.[25] For observations in which STEADY_EMP takes the value 1, earnings outcomes were measured by the logarithm of the amount of money earned in the year after completion of activities.

The purpose of analyzing both EMPLD and STEADY_EMP is that they measure different quality outcomes. EMPLD is a measure of the individual's success in obtaining employment immediately following participation. It is a short-run outcome, which may or may not be indicative of long-term labor market success. STEADY_EMP is a measure of the individual's success in getting *and holding* a job. It is the best measure of long-term labor market success available with the short post-program follow-up period

[25]The higher of the two earnings amounts in the quarter of program completion or the quarter following completion was used.

available for this analysis. Separate regressions were run for employment and earnings outcomes, with only nonzero earnings observations allowed in the earnings regression.[26]

1. **What impact has the demonstration had on immediate employment rates and post-program quarterly earnings?**

Table 24 shows estimated unadjusted impacts for immediate employment outcomes for participants who have completed their activities. While employment rtes were higher both for persons completing activities in the first year of the demonstration and the first half of the second year of the demonstration, the difference were only significant during the first year.[27] Differences in quarterly earnings immediately following placement, which ranged from $328 to $402, were positive and significant for both time periods.

In addition to the unadjusted net effects, the immediate employment outcomes were subjected to regression analysis. Table 25 and 26 report the outcomes of these regressions. After adjusting for the personal characteristics of the former participants and economic factors present in the counties, none of the DEMOPOST coefficients were significant for either the employment or earnings regressions. An analysis of these regression results indicates that the population differences induced by opening the program up to volunteers in McLennan County probably contributed to the positive unadjusted effects on earnings. As discussed in previous sections, the volunteers differed demographically from mandatory participants in significant ways. Once these demographic differences were accounted for, remaining differences in employment outcomes were not significantly different between the two counties.

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[26]Since earnings are, in econometric jargon, a limited dependent variable, it is not appropriate to include observations with zero earnings in the earnings regression. Thus, separate regressions were run, using the *twin linear probability function* approach, as described in Goldberger, Arthur, Econometric Theory, John Wiley & Sons, Inc. New York, 1964, page 252

[27]Employment and earnings outcomes were only measured for persons completing the program through March 1995 because earnings data were only available through March 1996. Therefore, long-term outcomes for persons completing after March 1995 could not be calculated.

Table 24
Unadjusted Net Immediate Employment and Earnings Outcomes for Participants Who Have Completed Activities

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Observations from Baseline Year			
Number of Participants	426	490	
Number of EMPLD Participants	206	262	
Percent EMPLD	48%	53%	
Earnings for EMPLD Participants	$1,325	$1,616	
Observations from First Demo Year			
Number of Participants	457	524	
Number of EMPLD Participants	287	316	
Percent EMPLD	63%	60%	
Earnings for EMPLD Participants	$1,584	$1,474	
Change from Baseline Year to First Year			
Percent EMPLD	14%	7%	8%
Earnings for EMPLD Participants	$260	($142)	$402
Observations from First Half of Second Demo Year			
Number of Participants	276	140	
Number of EMPLD Participants	162	77	
Percent EMPLD	59%	55%	
Earnings for EMPLD Participants	$1,805	$1,768	
Change from Baseline Year to First Half of Second Year			
Percent EMPLD	10%	2%	9%
Earnings for EMPLD Participants	$481	$152	$328

Notes:
(1) *** indicates significance at 0.01 level.
(2) ** indicates significance at 0.05 level.
(3) * indicates significance at 0.10 level.
(4) Significance levels for earnings are based on analysis of logarithm of earnings..

Source: FS Client File, Modified JOBS File, Manually Collected Participation File, TEC UI Earnings File.

Table 25
Probability of Employment Immediately Following Program Participation

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	DEMO	-0.18970	-2.514
	POST1	0.05638	1.427
	POST2	-0.07404	-1.047
	DEMOPOS1	-0.07098	-0.767
	DEMOPOS2	-0.03564	-0.335
Personal Characteristics Variables	AGECLO3	-0.00700	-3.649
	YOUNG	0.03273	0.791
	OLD	0.06507	1.784
	BLACK	-0.04537	-2.170
	HISPANIC	0.04017	1.077
	MALE	-0.02406	-1.165
	LPREEARN	0.05085	6.121
	NOLPERN	0.04605	0.712
	NOHS	-0.05276	-1.877
	SL1	0.03484	1.004
	SL2	0.02121	0.516
	SL3	0.02626	0.394
	SL4	-0.03099	-0.412
	EVERSANC	-0.04534	-2.154
Household Characteristics Variables	KID0_3	-0.02247	-0.751
	KID4_16	0.07060	3.200
	MT2ADUL	-0.02042	-0.622
	OVR65	-0.04723	-0.507
	TWO_ADUL	-0.03236	-1.410
County Variables	UNEMP	-0.14172	-2.639
	INC_GROW	1.99650	0.428
	JOB_GROW	-7.55780	-1.378
Constant term	INTERCEPT	1.64603	3.126

Dependent Mean	.56636
R-squared	.1696
Number of Observations	2312

Source: FS Client File, Modified JOBS File, Manually Collected Participation File, TEC UI earnings file.

Table 26
Logarithm of Quarterly Earnings Immediately Following Participation (for Persons with any Earnings)

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	DEMO	-0.09721	-0.378
	POST1	-0.20982	-1.608
	POST2	0.00651	0.027
	DEMOPOS1	0.38352	1.209
	DEMOPOS2	0.39745	1.106
Personal Characteristics Variables	AGECLO3	0.02007	3.047
	YOUNG	0.01403	0.106
	OLD	-0.30221	-2.390
	BLACK	-0.21327	-3.095
	HISPANIC	0.03516	0.300
	MALE	0.14382	2.078
	LPREEARN	0.21484	8.187
	NOLPERN	1.36059	6.399
	NOHS	-0.13848	-1.496
	SL1	-0.04880	-0.428
	SL2	-0.10514	-0.731
	SL3	-0.07422	-0.332
	SL4	-0.26545	-1.082
	EVERSANC	-0.18953	-2.663
Household Characteristics Variables	KID0_3	0.11063	1.137
	KID4_16	0.05750	0.796
	MT2ADUL	-0.03661	-0.333
	OVR65	-1.23477	-3.368
	TWO_ADUL	-0.00208	-0.027
County Variables	UNEMP	0.10394	0.572
	INC_GROW	-0.88814	-0.056
	JOB_GROW	7.63225	0.409
Constant term	INTERCEPT	4.10082	2.311

Dependent Mean	6.86917
R-squared	0.1189
Number of Observations	1509

Source: FS Client File, Modified JOBS File, Manually Collected Participation File, TEC UI Earnings File.

2. What impact has the demonstration had on longer-term employment outcomes and earnings?

Table 27 shows the unadjusted net effect of the demonstration on long-term employment outcomes, measured by the percentage of persons who were employed in every quarter following participation and earnings for those individuals. While employment rates and earnings were higher in McLennan County than in the comparison county, only the employment rate for persons completing in the first year of the demonstration was significant better than in the comparison county. The weaker long-term outcome measures may be related to two factors that influenced this analysis:

1) There was not enough time to observe true long-run employment outcomes and persons completing in the second half of FFY 1995 were totally excluded; and,
2) Many persons who were enrolled in longer interventions (such as post-secondary education) were still enrolled and therefore omitted from this calculation.

When the long-term outcomes were analyzed by means of regression these positive results were not observed. The estimated effect of the demo on STEADY_EMP was of the opposite sign from expectation, and none of the coefficients either for earnings or employment were significant.

Table 27
Unadjusted Net Employment Outcomes for the Year Following Participation

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Observations from Baseline Year			
Number of Participants	426	490	
Number of STEADY_EMP Participants	33	57	
Percent STEADY_EMP	8%	12%	
Earnings for STEADY_EMP Participants	$12,816	$12,360	
Observations from First Demo Year			
Number of Participants	457	524	
Number of STEADY_EMP Participants	72	65	
Percent STEADY_EMP	16%	12%	
Earnings for STEADY_EMP Participants	$14,231	$13,261	
Change from Baseline Year to First Year			
Percent STEADY_EMP	8%	1%	7%
Earnings for STEADY_EMP Participants	$1,416	$901	$515
Observations from First Half of Second Demo Year			
Number of Participants	276	140	
Number of STEADY_EMP Participants	39	20	
Percent STEADY_EMP	14%	14%	
Earnings for STEADY_EMP Participants	$15,436	$14,724	
Change from Baseline Year to First Half of Second Year			
Percent STEADY_EMP	6%	3%	4%
Earnings for STEADY_EMP Participants	$2,620	$2,364	$256

Notes:
(1) *** indicates significance at 0.01 level.
(2) ** indicates significance at 0.05 level.
(3) * indicates significance at 0.10 level.
(4) Significance levels for earnings are based on analysis of logarithm of earnings..
Source: FS Client File, Modified JOBS File, Manually Collected Participation File, TEC UI Earnings File.

Table 28
Probability of Being Employed for One Year Following Program Participation

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	DEMO	-0.04188	-0.789
	POST1	0.01370	0.493
	POST2	0.03274	0.658
	DEMOPOS1	-0.04772	-0.734
	DEMOPOS2	-0.09133	-1.222
Personal Characteristics Variables	AGECLO3	0.00071	0.523
	YOUNG	-0.05556	-1.909
	OLD	-0.01516	-0.591
	BLACK	-0.02074	-1.411
	HISPANIC	0.01271	0.485
	MALE	0.01748	1.204
	LPREEARN	0.04058	6.947
	NOLPERN	0.21824	4.796
	NOHS	-0.03981	-2.014
	SL1	-0.01604	-0.657
	SL2	-0.01853	-0.641
	SL3	-0.02826	-0.603
	SL4	-0.02787	-0.527
	EVERSANC	-0.04697	-3.173
Household Characteristics Variables	KID0_3	0.02018	0.959
	KID4_16	0.04237	2.732
	MT2ADUL	-0.00498	-0.216
	OVR65	-0.09268	-1.415
	TWO_ADUL	0.01453	0.900
County Variables	UNEMP	-0.01739	-0.460
	INC_GROW	5.27732	1.610
	JOB_GROW	3.06712	0.795
Constant term	INTERCEPT	-0.22405	-0.605

Dependent Mean	0.12365
R-squared	0.0695
Number of Observations	2312

Source: PS Client File, Modified JOBS File, Manually Collected Participation File, TEC UI Earnings File.

Table 29
Logarithm of Annual Earnings for One Year Following Participation
(for persons with earnings)

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	DEMO	-0.32708	-1.855
	POST1	0.04327	0.480
	POST2	-0.06260	-0.397
	DEMOPOS1	-0.22268	-0.787
	DEMOPOS2	-0.07689	-0.258
Personal Characteristics	AGECLO3	0.00367	0.759
Variables	YOUNG	-0.02546	-0.192
	OLD	-0.05617	-0.654
	BLACK	-0.15052	-3.050
	HISPANIC	0.00085	0.011
	MALE	0.11307	2.367
	LPREEARN	0.07438	4.238
	NOLPERN	0.59576	3.893
	NOHS	-0.08670	-1.260
	SL1	-0.15995	-2.189
	SL2	-0.15248	-1.322
	SL3	-0.33796	-1.991
	SL4	-0.19091	-1.202
	EVERSANC	-0.01415	-0.268
Household Characteristics	KID0_3	0.12589	1.909
Variables	KID4_16	-0.07557	-1.523
	MT2ADUL	0.04463	0.550
	OVR65		
	TWO_ADUL	0.01482	0.287
County Variables	UNEMP	-0.22167	-1.848
	INC_GROW	6.42586	0.455
	JOB_GROW	-8.38334	-0.591
Constant term	INTERCEPT	10.46865	8.854

Dependent Mean	9.43731
R-squared	0.2164
Number of Observations	285

Note: The variable OVR65 was dropped from this regression because it was zero for all observations.
Source: FS Client File, Modified JOBS File, Manually Collected Participation File, TEC UI Earnings File.

D. Effects on Other Outcomes

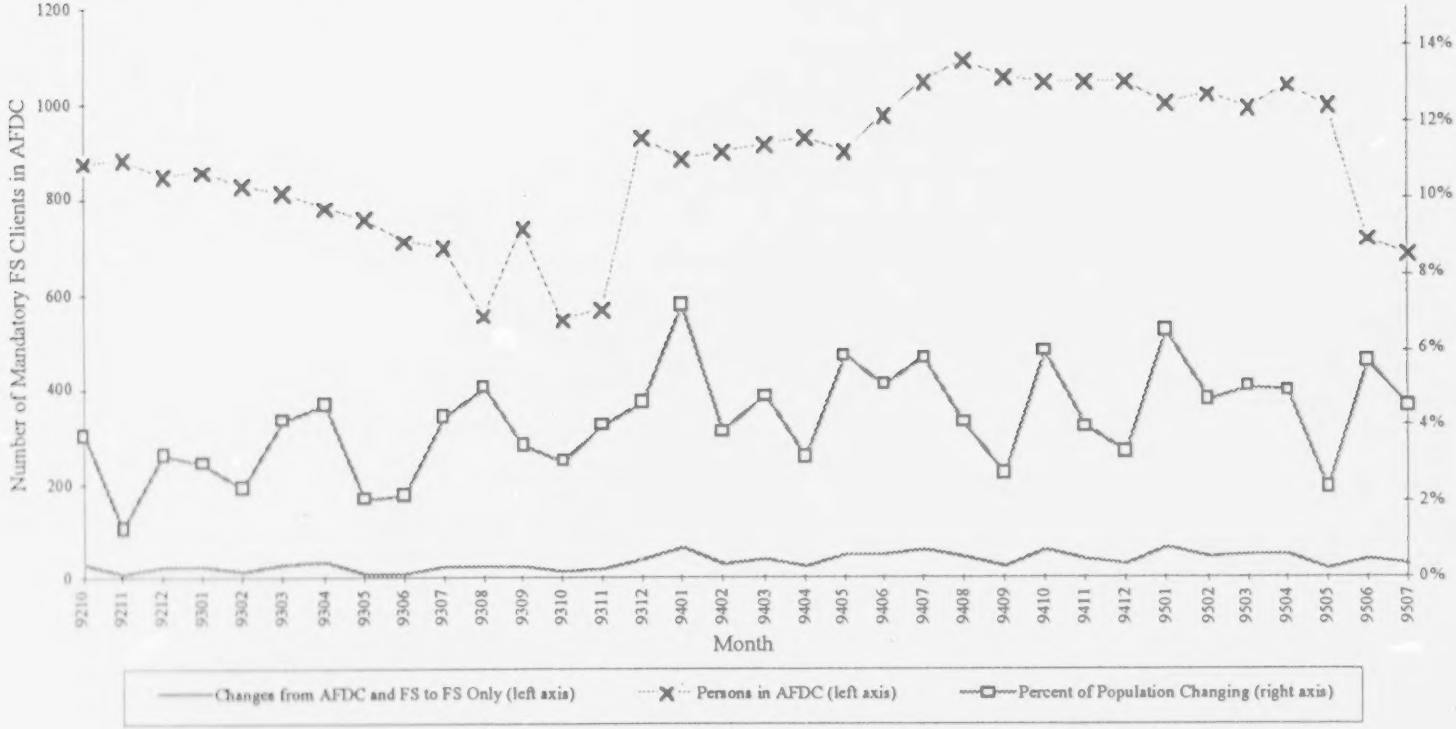
What effect has the demonstration had on the inter-program transfer rates between FSE&T and JOBS?

One hoped-for attribute of the demonstration was that the transition from JOBS to FSE&T would be transparent to the client. Because Texas restricts AFDC payments to only the very poorest of its citizens, it is likely that significant fractions of persons leaving AFDC (in which mandatory recipients were required to participate in the JOBS program) would continue to receive Food Stamps as changes take place in their income and eligibility status. Some of these persons then could be required to participate in the FSE&T program. Figure 6 shows a monthly plot of these transfers from AFDC to Food Stamps.

Approximately four percent of AFDC recipients transferred to Food Stamps only in most months, with a slight increase observed during the demonstration period.

These findings give no indication that the number of interprogram transfers were influenced by the demonstration.

Figure 6
Transfers from AFDC to FS Only



Note: Administrative procedures conducted at the end of fiscal years (September) cause artificially high numbers of apparent transfers in August observations. These and certain other anomalous observations have been modified in this graphic.

Sources: AFDC Tapes, FS Client Files

E. Summary and Conclusions

Summary. The BOND demonstration enacted several policy changes — including exemption criteria, sanction policy, and service to volunteers — while offering participants case management, a broader array of component activities, and increased access to supportive services. The two policy changes that had the greatest effect on participation patterns were: participation by volunteers and increased availability of child care to persons caring for young children. The combination of these two changes opened up the FSE&T program to a group of Food Stamp recipients who were previously denied the opportunity to participate. Persons volunteering for the program typically chose to increase their labor market skills through vocational training or post-secondary education and differed markedly from mandatory participants demographically. Changing the exemption criteria had little effect on participation patterns. Changes in sanction policy also appeared to have little effect, although data difficulties precluded obtaining a clear answer to this question.

The Texas FSE&T program changed its contracted services around the same time that the demonstration began to offer an array of services to FSE&T participants that was similar in intensity and diversity to those offered in JOBS. Although both contracted and noncontracted services were theoretically available to FSE&T participants across the state, participants in BOND enrolled in a broader array of services than those in the comparison county. They also averaged more hours per month in components and a month longer in total length of participation. Most of this additional effort occurred because of BOND's success in leveraging additional services from the community at no cost to the program, resulting in high rates of enrollment in adult education and post secondary education components. By the second year of the demonstration, the high rates of educational enrollments resulted in increased numbers of GEDs and post secondary degrees being awarded.

The unadjusted net employment rates—both for the quarter immediately after participation and the entire year following participation—increased significantly for participants in the first year of the BOND demonstration. While immediate quarterly earnings were significantly greater for BOND participants in both years of the demonstration, earnings for the entire year following participation were higher but not significantly different from the comparison county. An additional year of employment and earnings data would be needed to truly estimate the longer-term effects on employment and earnings. Most of the observed increases in employment rates and earnings in the BOND demonstration were attributable to the different demographic characteristics of participants in McLennan County that resulted from opening the BOND

demonstration to volunteers. Remaining differences in the employment and earnings outcomes for the two counties were not statistically significant.

Conclusions. The BOND demonstration had four stated objectives:

1) To assure continuity of services for FSE&T and JOBS participants;

2) To provide FSE&T participants expanded and enhanced activity components and supportive services;

3) To increase client participation through application of a clear sanction policy; and

4) To target resources based on participant need.

The results from the impact evaluation clearly indicate that three of the four objectives have been met. The remaining objective—increasing participation through a clear sanction policy—did not appear to be obtained, although the data difficulties with this measure cloud this issue somewhat. The increased participation that occurred in the BOND demonstration is associated with the policy of serving volunteers rather than a change in sanction policy.

Among the possible outcomes that DHS administrative staff anticipated would occur from the demonstration was that the expanded and enhanced employment program would move participants more rapidly toward self-sufficiency. Although the measurement of increased self-sufficiency was not directly addressed in the research questions, increases in post-secondary degrees, as well as increased employment and earnings among persons completing their FSE&T participation suggest that increased self-sufficiency should result from this approach.

In general, the BOND demonstration accomplished its objectives and demonstrated that the JOBS and FSE&T programs could be run successfully as one program. This is a particularly encouraging finding, particularly given Texas' recent legislation to consolidate its employment and training programs.

Appendix A

DETAILED STATISTICAL RESULTS

Table A-1
Number and Share of Participants in Directed Job Search

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Average Monthly Participants from Short Baseline†			
Total Number of FSE&T Participants	159	174	
Number of Participants in this Component	124	174	
Share of All Participants in this Component	77.8%	100.0%	
Average Monthly Participants from First Year of Demonstration			
Total Number of FSE&T Participants	188	82	
Number of Participants in this Component	24	81	
Share of All Participants in this Component	12.9%	99.7%	
Change from Short Baseline to First Year			
Total Number of FSE&T Participants	29	-92	121
Number of Participants in this Component	-99	-92	-7
Share of All Participants in this Component	-64.9%	-0.3%	-64.6%***
Average Monthly Participants from Second Year of Demonstration			
Total Number of FSE&T Participants	253	42	
Number of Participants in this Component	26	42	
Share of All Participants in this Component	10.4%	100.0%	
Change from Short Baseline to Second Year			
Total Number of FSE&T Participants	94	-132	226
Number of Participants in this Component	-97	-132	35
Share of All Participants in this Component	-67.4%	0.0%	-67.4%***

Notes: Participants include only those with actual hours in activities other than Assessment and employment entry.
*** statistically significant at the .01 level
†In McLennan, September, 1993 has been dropped from baseline as unrepresentative.
Source: Manually Collected Participation Data, Modified JOBS File.

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Table A-2
Number and Share of Participants in Job Readiness

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Average Monthly Participants from Short Baseline†			
Total Number of FSE&T Participants	159	174	
Number of Participants in this Component	23	167	
Share of All Participants in this Component	14.4%	96.2%	
Average Monthly Participants from First Year of Demonstration			
Total Number of FSE&T Participants	188	82	
Number of Participants in this Component	36	82	
Share of All Participants in this Component	19.1%	100.0%	
Change from Short Baseline to First Year			
Total Number of FSE&T Participants	29	-92	121
Number of Participants in this Component	13	-86	99
Share of All Participants in this Component	4.7%	3.8%	0.9%
Average Monthly Participants from Second Year of Demonstration			
Total Number of FSE&T Participants	253	42	
Number of Participants in this Component	32	42	
Share of All Participants in this Component	12.7%	100.0%	
Change from Short Baseline to Second Year			
Total Number of FSE&T Participants	94	-132	226
Number of Participants in this Component	9	-125	134
Share of All Participants in this Component	-1.7%	3.8%	-5.5%***

Notes: Participants include only those with actual hours in activities other than Assessment and employment entry.
*** statisticallly significant at the .01 level
†In McLennan, September, 1993 has been dropped from baseline as unrepresentative.
Source: Manually Collected Participation Data, Modified JOBS File.

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Table A-3
Number and Share of Participants in Vocational Training

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Average Monthly Participants from Short Baseline†			
Total Number of FSE&T Participants	159	174	
Number of Participants in this Component	0	0	
Share of All Participants in this Component	0.0%	0.0%	
Average Monthly Participants from First Year of Demonstration			
Total Number of FSE&T Participants	188	82	
Number of Participants in this Component	3	0	
Share of All Participants in this Component	1.5%	0.0%	
Change from Short Baseline to First Year			
Total Number of FSE&T Participants	29	-92	121
Number of Participants in this Component	3	0	3
Share of All Participants in this Component	1.5%	0.0%	1.5%***
Average Monthly Participants from Second Year of Demonstration			
Total Number of FSE&T Participants	253	42	
Number of Participants in this Component	3	0	
Share of All Participants in this Component	1.0%	0.0%	
Change from Short Baseline to Second Year			
Total Number of FSE&T Participants	94	-132	226
Number of Participants in this Component	3	0	3
Share of All Participants in this Component	1.0%	0.0%	1.0%***

Notes: Participants include only those with actual hours in activities other than Assessment and employment entry.
*** statistically significant at the .01 level
†In McLennan, September, 1993 has been dropped from baseline as unrepresentative.
Source: Manually Collected Participation Data, Modified JOBS File.

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Table A-4
Number and Share of Participants in Non-Vocational Training

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Average Monthly Participants from Short Baseline†			
Total Number of FSE&T Participants	159	174	
Number of Participants in this Component	15	0	
Share of All Participants in this Component	9.3%	0.0%	
Average Monthly Participants from First Year of Demonstration			
Total Number of FSE&T Participants	188	82	
Number of Participants in this Component	134	0	
Share of All Participants in this Component	71.3%	0.0%	
Change from Short Baseline to First Year			
Total Number of FSE&T Participants	29	-92	121
Number of Participants in this Component	119	0	119
Share of All Participants in this Component	61.9%	0.0%	61.9%***
Average Monthly Participants from Second Year of Demonstration			
Total Number of FSE&T Participants	253	42	
Number of Participants in this Component	194	0	
Share of All Participants in this Component	76.7%	0.0%	
Change from Short Baseline to Second Year			
Total Number of FSE&T Participants	94	-132	226
Number of Participants in this Component	179	0	179
Share of All Participants in this Component	67.4%	0.0%	67.4%***

Notes: Participants include only those with actual hours in activities other than Assessment and employment entry.
*** statisticallly significant at the .01 level
†In McLennan, September, 1993 has been dropped from baseline as unrepresentative.
Source: Manually Collected Participation Data, Modified JOBS File.

Table A-5
Number and Share of Participants in Work Experience

	McLennan (Demonstration)	Smith (Comparison)	Estimated Demonstration Effect
Average Monthly Participants from Short Baseline†			
Total Number of FSE&T Participants	159	174	
Number of Participants in this Component	0	0	
Share of All Participants in this Component	0.1%	0.0%	
Average Monthly Participants from First Year of Demonstration			
Total Number of FSE&T Participants	188	82	
Number of Participants in this Component	5	0	
Share of All Participants in this Component	2.9%	0.0%	
Change from Short Baseline to First Year			
Total Number of FSE&T Participants	29	-92	121
Number of Participants in this Component	5	0	5
Share of All Participants in this Component	2.8%	0.0%	2.8%***
Average Monthly Participants from Second Year of Demonstration			
Total Number of FSE&T Participants	253	42	
Number of Participants in this Component	12	0	
Share of All Participants in this Component	4.6%	0.0%	
Change from Short Baseline to Second Year			
Total Number of FSE&T Participants	94	-132	226
Number of Participants in this Component	11	0	11
Share of All Participants in this Component	4.5%	0.0%	4.5%***

Notes: Participants include only those with actual hours in activities other than Assessment and employment entry.
*** statisticallly significant at the .01 level
†In McLennan, September, 1993 has been dropped from baseline as unrepresentative.
Source: Manually Collected Participation Data, Modified JOBS File.

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Table A-6
Regression for Probability of Participation in Directed Job Search
McLennan County
Dependent Variable: Dummy Variable for Directed Job Search Participation

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	POST1	-0.568594	-16.229
	POST2	-0.605611	-13.577
Personal Characteristics	AGECL03	0.006469	7.081
Variables	YOUNG	0.016018	0.955
	OLD	-0.042487	-2.407
	BLACK	0.098835	10.371
	HISPANIC	0.02145	1.65
	MALE	0.005814	0.595
	PASTERN	1.39473E-04	0.103
	NOHS	-0.00519	-0.42
	SL1	0.058024	5.254
	SL2	0.034742	2.118
	SL3	-0.021934	-1.112
	SL4	-0.016653	-0.773
	VOL	-0.080412	-7.327
	EVERSANC	0.064515	5.822
Household Characteristics	KID0_3	-0.020469	-1.816
Variables	KID4_16	-0.053949	-5.783
	MT2ADUL	-0.060311	-3.593
	OVR65	0.068944	1.757
	TWO_ADUL	-0.004949	-0.523
County Variables	SERDATE	0.003487	1.211
	SERDATE2	-1.35E-07	-1.189
Constant term	INTERCEP	-22.0481	-1.206

Dependent Mean	0.21676
R-Squared	0.41
Number of observations:	5964

Source: Manually Collected Participation Data, Modified JOBS File, FS Client File, FS Work Registrant File.

Table A-7
Regression for Probability of Participation in Job Readiness
McLennan County
Dependent Variable: Dummy Variable for Job Readiness Participation

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	POST1	0.525455	14.306
	POST2	0.565486	12.093
Personal Characteristics	AGECL03	0.003788	3.956
Variables	YOUNG	-0.032596	-1.854
	OLD	-0.004403	-0.238
	BLACK	0.069408	6.947
	HISPANIC	0.042098	3.089
	MALE	-0.004092	-0.399
	PASTERN	3.38262E-03	2.372
	NOHS	0.068923	5.318
	SL1	0.135922	11.739
	SL2	0.011841	0.689
	SL3	0.033829	1.636
	SL4	0.037648	1.667
	VOL	-0.096303	-8.371
	EVERSANC	0.104936	9.033
Household Characteristics	KID0_3	-0.013091	-1.108
Variables	KID4_16	-0.040881	-4.18
	MT2ADUL	0.023359	1.327
	OVR65	-0.081972	-1.993
	TWO_ADUL	-0.026973	-2.717
County Variables	SERDATE	-0.026854	-8.895
	SERDATE2	0.000001046	8.809
Constant term	INTERCEP	171.739842	8.963

Dependent Mean	0.15474
R-Squared	0.16
Number of observations:	5964

Source: Manually Collected Participation Data, Modified JOBS File, FS Client File, FS Work Registrant File.

Table A-8
Regression for Probability of Participation in Nonvocational Education
McLennan County
Dependent Variable: Dummy Variable for Nonvocational Education Participation

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	POST1	0.198225	4.949
	POST2	0.212097	4.159
Personal Characteristics Variables	AGECL03	-0.00762	-7.297
	YOUNG	0.011768	0.614
	OLD	0.009414	0.467
	BLACK	-0.143457	-13.168
	HISPANIC	-0.066291	-4.461
	MALE	0.009844	0.881
	PASTERN	1.10863E-03	0.713
	NOHS	-0.044769	-3.168
	SL1	-0.177328	-14.045
	SL2	-0.033305	-1.776
	SL3	0.000974	0.043
	SL4	-0.002894	-0.118
	VOL	0.153375	12.226
	EVERSANC	-0.168143	-13.274
Household Characteristics Variables	KID0_3	0.001182	0.092
	KID4_16	0.051977	4.874
	MT2ADUL	0.086107	4.487
	OVR65	-0.012941	-0.289
	TWO_ADUL	0.055656	5.142
County Variables	SERDATE	0.018856	5.728
	SERDATE2	-7.39E-07	-5.71
Constant term	INTERCEP	-119.380665	-5.714

Dependent Mean	0.64174
R-Squared	0.43
Number of observations:	5964

Source: Manually Collected Participation Data, Modified JOBS File, FS Client File, FS Work Registrant File.

Table A-9
Regression for Probability of Participation in Vocational Training
McLennan County
Dependent Variable: Dummy Variable for Vocational Training Participation

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	POST1	-0.010494	-0.956
	POST2	-0.015319	-1.096
Personal Characteristics Variables	AGECL03	-0.000292	-1.02
	YOUNG	-0.002876	-0.548
	OLD	0.000114	0.021
	BLACK	-0.002185	-0.732
	HISPANIC	-0.000435	-0.107
	MALE	-0.012592	-4.114
	PASTERN	-1.5E-03	-3.521
	NOHS	-0.00787	-2.032
	SL1	0.007263	2.099
	SL2	0.00184	0.358
	SL3	-0.002916	-0.472
	SL4	0.008525	1.263
	VOL	0.010447	3.039
	EVERSANC	0.007857	2.264
Household Characteristics Variables	KID0_3	-0.001337	-0.379
	KID4_16	0.000103	0.035
	MT2ADUL	-0.008069	-1.535
	OVR65	-0.004598	-0.374
	TWO_ADUL	0.003024	1.02
County Variables	SERDATE	0.001671	1.852
	SERDATE2	-6.5715E-08	-1.852
Constant term	INTERCEP	-10.585125	-1.849

Dependent Mean	0.01006
R-Squared	0.01
Number of observations:	5964

Source: Manually Collected Participation Data, Modified JOBS File, FS Client File, FS Work Registrant File.

Table A-10
Regression for Probability of Participation in Work Experience
McLennan County
Dependent Variable: Dummy Variable for Work Experience Participation

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	POST1	-0.011933	-0.608
	POST2	-0.020784	-0.832
Personal Characteristics Variables	AGECL03	-0.000222	-0.435
	YOUNG	0.012675	1.35
	OLD	0.01731	1.752
	BLACK	-0.005117	-0.959
	HISPANIC	0.023928	3.289
	MALE	-0.034764	-6.355
	PASTERN	-3.5905E-03	-4.716
	NOHS	-0.027728	-4.007
	SL1	0.012495	2.021
	SL2	0.010122	1.103
	SL3	0.014961	1.355
	SL4	0.023487	1.947
	VOL	-0.020531	-3.342
	EVERSANC	-0.002441	-0.394
Household Characteristics Variables	KID0_3	0.015771	2.5
	KID4_16	0.02421	4.636
	MT2ADUL	-0.033766	-3.594
	OVR65	0.023445	1.068
	TWO_ADUL	-0.023635	-4.46
County Variables	SERDATE	0.000557	0.345
	SERDATE2	-1.9277E-08	-0.304
Constant term	INTERCEP	-3.884021	-0.38

Dependent Mean	0.0337
R-Squared	0.04
Number of observations:	5964

Source: Manually Collected Participation Data, Modified JOBS File, FS Client File, FS Work Registrant File.

Table A-11
Regression for Probability of Participation in Directed Job Search
Smith County
Dependent Variable: Dummy Variable for Directed Job Search Participation

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	POST1	-0.000964	-0.304
	POST2	0.003399	0.61
Personal Characteristics Variables	AGECL03	-2.9345E-05	-0.206
	YOUNG	0.000597	0.167
	OLD	-0.001283	-0.471
	BLACK	0.003038	1.925
	HISPANIC	0.003343	0.729
	MALE	0.000304	0.196
	PASTERN	1.87776E-04	0.898
	NOHS	0.00102	0.443
	SL1	0.000334	0.081
	SL2	-0.002789	-0.599
	SL3	0.002856	0.342
	SL4	0.001383	0.179
	EVERSANC	0.001432	0.863
Household Characteristics Variables	KID0_3	0.0012	0.455
	KID4_16	-0.001382	-0.84
	MT2ADUL	0.001176	0.508
	OVR65	0.000951	0.134
	TWO_ADUL	-0.001083	-0.612
County Variables	SERDATE	-0.000324	-0.742
	SERDATE2	1.27433E-08	0.731
Constant term	INTERCEP	3.057863	1.117

Dependent Mean	0.99875
R-Squared	0.01
Number of observations:	2390

Source: Manually Collected Participation Data, Modified JOBS File, FS Client File, FS Work Registrant File.

Table A-12
Regression for Probability of Participation in Job Readiness
Smith County
Dependent Variable: Dummy Variable for Job Readiness Participation

Category of Regressors	Regressor	Coefficient	t-ratio
Program Variables	POST1	-0.061656	-5.845
	POST2	-0.065644	-3.543
Personal Characteristics Variables	AGECL03	-7.9962E-05	-0.169
	YOUNG	0.014419	1.217
	OLD	0.006473	0.715
	BLACK	0.008936	1.704
	HISPANIC	-0.008204	-0.539
	MALE	0.001919	0.372
	PASTERN	-1.0178E-03	-1.465
	NOHS	-0.00286	-0.374
	SL1	-0.014224	-1.04
	SL2	-0.019004	-1.228
	SL3	-0.018663	-0.672
	SL4	0.004728	0.184
	EVERSANC	0.003064	0.555
Household Characteristics Variables	KID0_3	0.017795	2.031
	KID4_16	0.004359	0.798
	MT2ADUL	-0.010093	-1.313
	OVR65	0.00961	0.407
	TWO_ADUL	-0.006678	-1.136
County Variables	SERDATE	0.01379	9.496
	SERDATE2	-5.44E-07	-9.387
Constant term	INTERCEP	-86.315587	-9.491

Dependent Mean	0.98494
R-Squared	0.07
Number of observations:	2390

Source: Manually Collected Participation Data, Modified JOBS File, FS Client File, FS Work Registrant File.